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* Constitutional Aspects of Governmental Crisis 93BA0567A Sofia VEK 21 in Bulgarian 13 Jan 93 pp 1, 4

[Article by Borislav Vankov: "The Governmental Crisis and the Constitution"]

[Text] To a certain extent, the political crisis in Bulgaria is caused or, to say the least, considerably complicated by the obvious imperfections in the current Constitution. Furthermore, strictly in terms of its content, it suffers from one more essential shortcomings: It leaves a great deal to be desired from the linguistic and stylistic viewpoints. A fundamental law must be memorable, precise, and harmonious, and not read like a newspaper clipping.

However moderate the Constitution may prove to be in the final account, some corrections and improvements are possible. It would be hard to say where precisely one should start. However, it may be best to begin with a review of the interrelationship between the government and the parliament.

In a parliamentary governmental system one of the (two) main functions of the parliament is to oversee the government. This is manifested in the fact that parliament monitors the government, which depends on the parliament's confidence. Specifically, this means that the government (or the head of the government) is elected by the parliament and could be removed by the parliament and also be supervised by the parliament for the duration of his mandate.

The procedure governing the formation of a government, as stipulated in the Bulgarian Constitution, is incredibly complex, cumbersome, and difficult. A number of non-sensical features in it could be stressed.

Thus, for example, in general, the need for "consultations" between the president and the parliamentary groups is needed, considering that the former has no freedom of action but must simply mechanically apply the stipulations of the Constitution, systematically assigning to the parliamentary factions the search for a mandate. In reality, however, it is of no importance whatsoever whether the prime minister will come from the largest parliamentary group or the second largest, and so on. The prime minister must be the candidate who is most likely to rally a parliamentary majority, regardless of the faction to which he belongs. In the case of the president, it is only in that case that the term "consultations" acquires any real meaning. In Germany, for example, for the entire time during which they were in power, the Social Democrats were not the largest faction. In coalition with the Free Democrats, however, they had the majority, and the chancellor was one of their people. This saved time for the president by not assigning the mandate to the Christian Democrats as the largest faction.

It is equally very important constitutionally to set a deadline for the formation of a cabinet. A few weeks would suffice, after which, in the case of failure, the president would disband the parliament and schedule new elections. According to the Bulgarian Constitution, however, the study of mandates could go on virtually forever, and thus result in an endless lack of government. Actually, based on the specific situation, the president may already have disbanded the National Assembly without assigning the mandate to the Movement for Rights and Freedoms (DPS). In the presence of no more than three parliamentary groups in the Bulgarian parliament, assigning the mandates to the SDS [Union of Democratic Forces] and the BSP [Bulgarian Socialist Party], all possible combinations for the establishment of a parliamentary majority will have been exhausted and further valuable time would not have been wasted. Furthermore, it is undeniable that there is something strange and unacceptable about assigning to a small party—with a few representatives, a party formed more or less on an ethnic basis—the nomination of a prime minister and the formation of a cabinet.

It would be equally useful to include in the Constitution the fact that the prime minister is appointed by the National Assembly without debate. It is inadmissible to demand a prepared governmental program of a candidate prime minister. It is only several weeks later, after he has selected his team and made a thorough study of the situation in the country, that he could submit a program to parliament.

It is equally important to include in the Constitution the requirement that the candidate prime minister is a national representative. It is only after his election that he could surrender his mandate for as long as he remains prime minister. People who have not had the confidence of voters should not be nominated for prime minister. In general, we must put an end to the bad Bulgarian tradition of seeking political support from "nonparliamentary forces" and promoting to the highest positions randomly chosen people. This indicates a lack of understanding of the spirit of parliamentary democracy. Elections are held to form a parliament that would form a government, and the parties that remain outside parliament are there precisely because of their insignificant political substance in society. It is senseless to seek their support if they lack such support in parliament.

It would help to say a few words on the vote of confidence or lack of confidence. The present Bulgarian Constitution stipulates that the government may ask for a vote of confidence or else that the National Assembly could vote a lack of confidence in the government. However elementary this stipulation may seem at a glance, it conceals a great deal of dangers and underwater rocks. Its thoughtless application could easily lead to the formation of unstable governments and to a permanent governmental crisis, as actually happened. For instance, the drafters of the new Bulgarian Constitution should have taken special preventive measures to protect the viability of a minority cabinet. The SDS government is

precisely one such case. Was it necessary to recall the chronically unstable governments in Germany, let us say, prior to the assumption of power by Hitler? This is a factor which contributes to the establishment of a dictatorship. One of the reasons is that, according to then then German Constitution, the overthrow of a government and its replacement did not go hand in hand, and that there were transitional periods without a government. That is precisely why many of the modern constitutions recognize only the so-called "no-confidence vote." A constructive no-confidence vote takes place when the majority in parliament votes a lack of confidence in the government. At the same time, however, it is required of that majority to nominate its own government as an alternative. This prevents intermediate periods without a government. In the final account, however, even a destructive no-confidence vote, as stipulated in the Bulgarian Constitution, essentially means two things: that one is prepared, if the no-confidence vote succeeds, to assume the leadership, or else to schedule new elections. There is no third choice. It turns out, however, that a newly established majority neither wishes to nor could rule or call for elections. What then does it want? Probably, in that case, the surreptitious intention would be to restructure majority correlations in parliament, promote some kind of split within the SDS, and so on; however, it is an open secret that a policy of such surreptitious steps and secret games is rarely successful.

A precise definition of the concepts used is very important in science. Such an undefined concept may be found in the Bulgarian Constitution in referring to a technical cabinet. In a parliamentary governmental system no such term should exist. What kind of unsupervised and unanswerable government would this be? Or else, should it become necessary, somehow, legislatively to earmark its prerogatives or else totally to delete this concept from the Constitution? Once again here we are stricken by the analogy with Germany under the Weimar Republic, in its final years, when the so-called presidential cabinets ruled at the pleasure of the president, ignoring the role of parliament. This lasted until Hitler came to power.

The Constitution could be amended in the sense that a resigning cabinet remains in power until a new cabinet has been formed after eventual elections. This would be much more consistent with the spirit of a parliamentary governmental system.

The BCP [Bulgarian Communist Party]-BSP [Bulgarian Socialist Party] idea of a so-called "national consensus government," which would be based on some kind of much broader parliamentary coalition and would be more or less independent of any party or party program deserves severe criticism. History remembers the sad experience from such "above-party governments," as was the case in Germany in 1932. Naturally, currently there could be no question in Bulgaria of having any kind of coalition government between the SDS and the BCP-BSP. Leaving aside the purely moral aspect of the

matter, making such an alliance impossible, the following essential arguments must be stressed against it: As a result of the noncoincidence between the programs of the parties participating in the activities of such a government, the government would be quite frequently paralyzed, i.e., instead of being particularly effective, it would be particularly ineffective. Furthermore, since the government would stand above all parties, there would be no efficient parliamentary control, and no opposition with its inherent functions, although this precisely is one of the basic components of a democratic society. Such a government would be rather a government of national irresponsibility! That is why I would recommend that the Bulgarian Constitution be amended in such a way that governments of large coalitions with overwhelming parliamentary majorities be made more difficult to form if not made totally impossible. It would suffice to this effect to constitutionally stipulate the role of the opposition as a correcting feature and an alternative to the ruling majority.

Let us not forget that, in a certain sense, there is national consensus. In the last elections the noncommunist groups obtained nearly 70 percent of the vote! Consequently, in their tremendous majority the Bulgarian people are opposed to communism and favor democracy. The fact that the percentage of the Communist Party is slightly higher than it is in Central Europe does not qualitatively change matters. It is obvious that in the Balkans it is difficult for the communist parties quickly to decline to under 20 percent. However, this should not be considered too tragic.

Another consideration which must be added on the subject of a coalition government is that, in the final account, Bulgaria was (is) governed by a broad coalition, the SDS, which includes parties and groups covering the entire political spectrum, from the extreme left to the extreme right. For example, the Social Democratic Party and the Democratic Party: What kind of broader coalition could one ask for? However, the democratic political space has no place for extremist parties such as the BCP-BSP, for which reason the claims of such parties to form a coalition government are ridiculous. If we follow that logic, in order to reach national consensus, Helmut Kohl, for instance, should offer ministerial portfolios to the Party of Democratic Socialism (the former SED) and to Gregor Giesi. Naturally, this is not about to happen.

Furthermore, we cannot deny that there are people in Bulgaria who believe that the road to democracy goes through some kind of military dictatorship. That, naturally, is a dangerous viewpoint, which unfortunately is by no means entirely inconceivable in the reasoning of the head of state. Let it be constitutionally codified that a state of war is proclaimed by the National Assembly (as was the case in the past) but add to it that this would require a two-thirds majority. Furthermore, it would be necessary to delineate with extreme clarity the rights of the president, the government, and the parliament if a state of war is declared. The present Constitution does not provide a sufficiently exhaustive answer to this issue.

We could also give some thought to making some improvements in the present oversight provided by parliament over the government. This applies, above all, to the right of parliament to appoint investigative commissions. It should be stipulated that on the request of, let us say, 25 percent of the total number of national representatives, the National Assembly must appoint a respective investigative commission without the need for a vote on this issue. This would strengthen the role of the minority, of the opposition, for it is precisely the opposition that is called upon to oversee the majority. Unfortunately, due to the lack of a truly democratic opposition in the present Bulgarian parliament, such a stipulation could be easily used to obstruct the activities of the National Assembly, for which reason it should be carefully though out.

Finally, let us also mention the closed parliamentary sessions. Such sessions should be admissible only if approved with a two-thirds majority. Otherwise, a party or coalition ruling on the basis of a simple majority could easily convert the National Assembly into a kind of convention or a totalitarian parliament, which, with or without reason, would exclude the public and would pass any resolution it likes. Something similar recently took place in connection with the so-called arms scandals.

Naturally, as we said at the beginning, the Constitution suffers from many other imperfections and shortcomings that cannot be discussed here but that also urgently require its overall redrafting. For a start we should be satisfied with the amendments we mentioned. It is not certain at all that, given the existing ratio of forces in the National Assembly, such amendments could pass. However, it is worth trying.

* Lilov Defends Self at National Assembly

93BA0565A Sofia DUMA in Bulgarian 20 Jan 93 p 8

[Speech by Aleksandur Lilov at the 19 January parliamentary session: "The Spirit of Man Cannot Be Apprehended"]

[Text] I will take little of your time, for the essence of the issue we are discussing today is absolutely clear both here, in the National Assembly, and outside. It is clear to both politicians and politically naive people.

I have no intention of appealing to your collegial solidarity, to beg you to delay your decision, or to justify myself to you. I have no reason to do so. On the contrary, since the reasons of the general prosecutor include nothing unfamiliar to you, I urgently ask of you to make your decision today. I would not like any dragging of the parliament's decision or for myself to become someone's political hostage or a target of possible political dealings behind the scenes. Regardless of what decision you may make, have the will and the valor to make it now. You may reject a groundless demand and the increasingly repressive role played by Mr. Tatarchev in our young democracy. You may approve them. That is your prerogative.

If you were to choose the latter option, I shall defend myself not in the parliament, for it is not a convention, but in court. An independent and autonomous court is bound to recognize my innocence.

To begin with, I would like to answer the suggestion which was made to me by the National Assembly chairman on Bulgarian television. He asked me voluntarily to surrender my immunity as representative and defend myself in court. This is a French-style suggestion, as he defined it himself.

I would accept it with pleasure. However, I am held back by two reasons, which I must share with you. The first is the following: As I look at your faces, colleagues of mine, I can hardly name a single national representative or any other Bulgarian politician who has not been accused of most disgraceful actions, some of them most incredible, in the press, on television, on the radio, or from this rostrum, or else who has not been the target of the new special services. If all such accusations are put one on top of the other they would form a dike higher than the building of the National Assembly. This dike is growing, gentlemen, in all directions—left, center, and right. This is the "great" Bulgarian compromise dike! I am convinced that the path that is being offered to us is one that would have every Bulgarian politician go to court and prove that he is not a criminal. Such a path leads to this dike and not to the temple of democracy, respected colleagues.

The second reason, Mr. Chairman, is that, unlike you, I believe that there is a slight difference between Bulgarian and French democracy, and Bulgarian and French courts, a difference of about 200 years. You recently returned from Paris, and I hope that you were able to note that the French Parliament, the French Court, and the French general prosecutor are somewhat different from our own. The faster we reduce or eliminate this disparity, the better it will be for Bulgaria, including for the Bulgarian national representative.

However, I am prepared to answer all your questions, dear gentlemen, national representatives, for there is no higher position than that of being in the parliament of our country that is striving to become democratic. I am at your disposal, and I shall give you, with the required feeling of responsibility, all the clarifications which you may demand of me.

I realize the difficulty of my present situation. I am faced with the threat of losing my immunity as a representative and become involved in a staged court trial of a type that has increasingly made Bulgaria notorious throughout Europe and the rest of the world. Both Mr. Tatarchev and the forces whose will he executes demand not only my immunity but also my freedom. I realize what this means.

I accurately realize what is in store.

Ladies and gentlemen, I believe that your position as well is not enviable. Your conscience as national representatives is on trial. I may lose my parliamentary immunity. I may be detained and deprived of my freedom. However, my conscience will remain free and clear, for I know the truth, that I have not committed a crime. You too are aware of the truth and I doubt that you would have a feeling of spiritual comfort, if not today at least tomorrow, when you will be left alone with the facts and with your own conscience. In addition to justice, you must now defend the dignity of the Bulgarian democratic parliament. This means the dignity of the parliament, precisely, in the eyes of our ancient state and the vigilant Bulgarian people and democratic Europe. This is no easy responsibility, and I fully understand your position.

Now I would like to tell you two other things.

The first is that however incredible this may seem, to this moment I have had no official or unofficial contact with the leadership of the National Assembly. Apparently, in this quite frequently strange parliament, respect for a national representative is displayed mainly by rising and observing a one-minute silence. I do not know how you assess this fact, Mr. Chairman, but to me this does not enhance your or our civilized reputation and statesmanlike reasoning. Is the demand to deprive a national representative of his immunity such a minor matter that he should learn about it from the mass media?

Second, I would like to state in front of you, honored national representatives, and to my constituents in the 27th Stara Zagora Electoral District, to the people of my home area, and to all members and sympathizers of the Bulgarian Socialist Party, that I have not violated the laws of the state and have not appropriated even a single stotinka of state funds. Anyone of you, ladies and gentlemen, national representatives, may react to this statement as he wishes. To me, however, this is of great significance. I hold on to an ever more neglected and ever more abused feeling known as honor, and I want my family, my children, my friends and comrades, and the hundreds of thousands of people with whom I have met during these last dramatic three years or more, to hear my words and to know that I have not committed a crime. I also would like for the documents of the National Assembly to record my words. I do not condemn those among you who do not believe me. Given the present political hostility, this is explainable. However, the time will come when truth will become stronger than malice and it is for the sake of that moment that I want to be exonerated.

Now, as to the essence of the matter.

It is obvious that there are forces that would like to initiate a second wave of escalation of political trials in our country. They need me precisely for the sake of this second wave. Actually, the demand by Mr. Tatarchev is a political one, from beginning to end. The actions of the

prosecutor are politically inspired and motivated. The arguments for such an assessment are obvious:

If such is not the case, why was it necessary for the prosecution to go back several years in determining in advance the period to be covered by the investigation? Would the general prosecutor be kind enough to explain to the parliament the criterion on the basis of which this new period was determined, in going back precisely to 1981? It is obvious even to children that the purpose is to include me in the trial, for in 1983 I was no longer part of the leadership of the party and the state.

If such is not the case, then why is it that the general prosecutor did not submit his request before the parliament's recess, while the parliament was in session, or after the recess, when the parliament will be in session again? The recess of the National Assembly was a well-calculated gross political step, although a revealing one. Encouraging, nonetheless, is the fact that the National Assembly chairman did not fall for the provocation.

If the motivation was not political, why did the general prosecutor demand that I be detained at such a late date, considering that the charges are the same as those made public more than six months ago and were formulated at that time? Did he realize that I became a Central Committee secretary only toward the end of December 1992?

Why is this step being taken at this time, after the failure of the confrontational policy of governance by the extreme right within the SDS [Union of Democratic Forces] and the possibility which appeared for converting to a policy of moderation and common sense?

The answer to all such questions, ladies and gentlemen, is not difficult. We are witnessing not only the extension but also the dragging out of the period of political trials in our country. The demand of the prosecution was met for unconcealed political purposes. It is necessary to once again tense because of the political situation. Once again the judicial system is being forced to serve a specific political force. Instead of following the path of the judicial system practiced in the advanced European democracies, with his publicly expressed hatred and threats at his political opponents, and with the political trials he is preparing, the general prosecutor reminds us of Vishinskiy's sinister practices.

I regret to sound so sharp, but the truth is harsh and must be voiced openly. It is not only my immunity and my fate that are threatened. It may seem strange to you, but you too, ladies and gentlemen, are in danger, regardless of whether you are here, in this hall, or in the cities and villages throughout the country. A perspicacious political mind once said that if in a country the rights of a single person are threatened, of a single person, I repeat, the rights of all citizens are in danger.

With Mr. Tatarchev's request, three objectives must be met as a political requirement.

First, I must become the target of a blow and, therefore, a blow at the Bulgarian Socialist Party. However, the effect will be the exact opposite. You will neither frighten me nor shake up the party. You can rest assured that you will rally us even closer. The time has come for you to become politically realistic and to understand that the BSP [Bulgarian Socialist Party] is a new party, a strong party that has the votes of one-third of the Bulgarian people, and that the fate of the Bulgarian Socialist Party depends not on you but on its own actions, and on the support of the people whose interests it defends.

Second, the brittle parliamentary support of the moderate policy of the government headed by Mr. Lyuben Berov must be destabilized. There will be no political trials, Mr. Berov said some 20 days ago, in his programmatic declaration in parliament. There will be political trials—that is the answer of the general prosecutor and of the extremist forces within the SDS. No political force or state institution in this country has the right to nurture illusions or remain neutral on this issue.

Third, the ranks of the SDS must be strengthened by regrouping the "healthy forces" within it, by testing the leaders and threatening the unruly.

Finally, it is necessary to prevent any lowering of the confrontation and the further democratization of society. Fear, hatred, and political vendetta are the reactions of extremism to the encouraging warming up of Bulgarian political life, as has become apparent.

You must determine what trend you will allow: one of confrontation or of understanding.

As to the charge itself which I heard, the way I understand it, it is based on facts which were discussed here in connection with the immunity of National Representative Andrey Lukanov. What can I say now about this charge?

Giving aid to Third World countries is a common international practice, sanctioned by the great number of resolutions passed by the United Nations.

Assistance by one party to another is an old worldwide practice. The parties within the SDS, as well as the SDS itself, can reliably assert to this effect.

I have nothing against responding to the aid given by Bulgaria and the then ruling party to Third World countries and parties, in front of you, in court, in front of Bulgaria, and in front of history. Such aid was given in accordance with the then-existing laws and I have not profited even by one stotinka for my personal benefit. Not one stotinka, gentlemen. Remember this.

But let us be frank, honored national representatives. The issue does not relate to aid in the least. The real issue is the following: Will there be or will there not be political trials in our country? Shall we have or not have a policy of national consensus and understanding? Will

common sense prevail in today's political life in our country or will once again revenge and confrontation triumph in it?

I have long appealed, both in the previous and in this parliament, for a display of statesmanlike wisdom, and for leaving the past behind us. We are too small a nation to allow ourselves such frequent political vendettas.

I see, however, that a large number of contemporary Bulgarian parties and politicians have not matured enough to pursue such a policy.

Therefore, make your decision, ladies and gentlemen, representatives of the Bulgarian people. Personally, I shall not participate in the vote. I promise you, however, that I shall do everything possible for Bulgaria to remember this court trial as the shame of those who are fabricating it, those who are holding it, and those who are inspiring it.

Speaking from this rostrum, all of us aspire to have Bulgaria Europeanized and become integrated within the structure of the new united Europe.

Let it become clear where we are now, who we are, and whether we are ready to apply the European principles, standards, and procedures of democracy.

As to myself, honored colleagues, national representatives, I expect you to be just. However, I will not fear a trial or sentencing by a politically motivated court, for I know that tomorrow's Bulgarian democracy will exonerate me and will condemn the court. Still, you must agree, that you cannot apprehend the human spirit.

* Heroin Trafficking Through Turkey, Bulgaria 93WD0331A Sofia 168 CHASA in Bulgarian 5 Jan 93 p 32

[Report by Violeta Zhelyazkova: "The Turk Did Not Know That He Was Carrying the Browning With Which He Was To Be Killed"]

[Text] The heroin gate to Europe is at Kapitan Andreevo. It could be closed with a great deal of real money and not by cursing Bulgaria.

"Everything is like a dream. I was imperceptibly drawn into the game. Those people tempt people like me, who are at the end of their rope, or else find young people who would like to get rich quick.

"I was born in Turkey in 1945 and have lived in Berlin for the past 20 years. Until 1987 my situation was good. I was a crane operator and earned sufficiently to support my family. I have five children. Subsequently, I plunged into gambling, drinking, and women. As an individual I was lost. I lost my job. I divorced. I was deep in debt to a German bank, to which I owed 70,000 marks. I began frequently to patronize the Dalian Coffeeshop in Berlin,

where my compatriots gathered. I complained to them, and they felt sorry for me. They bought me brandy and food.

"Toward the end of 1991 I had a discussion with four Turks whom I had met at the coffeeshop. Ati, Kod, Kurd, and Ali told me, look, we are paying for your food and drinks. We could repay your loan to the bank and add another 40,000 marks for yourself. We will buy you a Mercedes. However, you must go to Turkey and do a job for us: carry from Turkey to Germany a little bit of heroin. They also offered me 5,200 marks for my traveling expenses. But what if I was caught? Who would take care of my children? They reassured me: We shall hide the heroin in such a place in the car that even you would not know where it is. If you are detained we will have you released. We have options.

"I arrived in Turkey on 27 December 1991 and I saw my relatives. I then telephoned the people in Germany, who had sent me. They instructed me to go to Marani. I carried out my assignment and I informed them that I had taken a room at the Causoglu Hotel. They told me to wait and that I would be met by two strangers who would take away the Mercedes. They kept the car for about a week. Meanwhile, I had a good time. I drank as much as I liked. I spent as much money as I felt like it. I stuck lots of German marks in the brassieres of the dancers. This was the happiest week in my life.

"Then the strangers returned my Mercedes to me. They warned me not to talk, for otherwise my family would suffer.

"Several days later I started on my way back to Germany. I crossed the Turkish-Bulgarian border at Kapitan Andreevo on 17 February 1992. No one checked me. On the same day, at about 2230 hours, I reached Kalotina. The customs official asked that the car be checked thoroughly. They took the Mercedes in to a specially equipped garage."

They scraped the paint off and a crack appeared through which one could reach the empty space under the floor. They located 16 bags of dirty heroin (the price per kg of this drug is 260,000 leva, and the entire amount found in the car, 10.775 kg, was worth 2,801,500 leva). A Belgian-make Parabelum pistol with 24 9-mm cartridges was found on the recliner of the back seat. M.I., the Turk, was very surprised by this Browning in the Mercedes. Today he is trying to find a logical explanation for it:

"The pistol may have been part of the game—the mafia is arming itself. It is more likely, however, that this was precisely the pistol with which I was to be eliminated after entering Germany in order to avoid paying me the 40,000 marks they had promised me."

On 10 November 1992 the Slivnitsa rayon court sentenced M.I. to five years in prison, a fine of 5,000 leva, and confiscation of the heroin, the Mercedes, and the Browning. The Turk is now serving his sentence in the foreign legion of the Sofia Prison, alongside some 20

other of his compatriots who shared the same fate. He seems to be sincerely repentant:

"I am pleased that I was detained in Bulgaria, for who knows how many children I would have poisoned with these 11 kg of heroin I was carrying. I no longer drink. My wife is prepared to remarry me. Even if someone were to pay me a million marks I would not be hooked a second time, providing, naturally, that I remain alive. People like me rarely die a natural death. My fellow compatriot Nerman Taysi was recently discharged from the Sofia Prison. Like me, he had become involved in drug trafficking. He was killed the moment he arrived in Belgium. Another Turk, with whom I share a cell, lost his brother in a questionable accident. Nor will I get away with it. They will kill me either here, in jail, or after I have served my sentence and return to Berlin. I asked my children to ask the people who got me involved in this mess what their intentions were. However, they have disappeared from Germany.

"Henceforth anything is possible. The mafia does not forgive. I did not carry out my assignment. I failed in my very first try. However, even if I had carried the heroin I would have come out of the game only dead. I can survive only if I live in secrecy."

The laws of several Western European countries protect the drug trafficker who has "sung." They order the respective authority to protect him, to hide him in a different settlement, to change his appearance through plastic surgery.... Our country has no money for pampering. Frankly speaking, to the investigator this means delayed suicide.

"Naturally, I do not know the name of the boss, for it is not part of the rules of the game for mugs like me to know his name. He is a very rich person who operates behind the screen of a company. He is backed by an influential person who protects him. Frequently he is also helped by the police. It is impossible to identify the bosses, particularly in my homeland."

From Turkey the heroin goes to Europe. The deeper it gets into the old continent the more expensive it becomes. In the West dealers pay \$110,000 per kg. It is sold between \$300 to \$400 per gram.

"We catch only those who carry it, the couriers," admitted Georgi Iliev, an investigator with the National Investigation Service, who, starting with 1985, has been fighting global drug trafficking with his bare hands. Finally, he has been able to track a boss but does not dare mention his name, for the said individual will remain a boss even after Georgi Iliev has vanished from the drug horizon.

"If you cast a net even bigger fish may be caught," Iliev predicts. However, his hands are too short. How could he catch a Turkish superman if his own department has not enough money to send him to Turkey? Nor does he have any equipment and trained dogs. For understandable reasons, meanwhile, the Turkish police is not burning

with the desire to help him, although a legal aid treaty exists between the two countries, with Interpol acting as an apathetic middleman.

"I have not heard anyone blaming Turkey, where the bosses and the warehouses are located. It is on Turkish territory that entreaties and threats take place. It is from Turkey that this white death travels to Europe—to the Netherlands, Spain, Belgium, France, Germany, Austria, and so forth. These are all rich countries that we are rescuing. Most frequently, the couriers are citizens of Iran, Iraq, the former Yugoslavia, the former USSR, Turkey, and Nigeria," Iliev says.

"Everyone is blaming Bulgaria," Iliev says indignantly. "No one blames Turkey, although this year we caught some 20 smugglers compared to only one caught in Turkey. We are something like Turkey's filter. Turkey is not blind; it realizes the primitive means we have at our disposal. It is also sufficiently rich to help us. By now Bulgaria should have been able to have the type of blocking facility that at least 90 percent of the drugs could be apprehended the moment they reach Kapitan Andreevo. That is the heroin gate to Europe."

The Americans have laboratories that can determine the specific part of the world where a given drug was manufactured. "We have greater need for such equipment," Iliev claims. "If we had it here the drug would not go any farther."

In all likelihood, the Americans as well have been made aware of this elementary conclusion. However, like the Europeans, they pretend to be deaf.

Meanwhile, the Bulgarians catch the little couriers who, in some cases, are even unaware of carrying drugs. They do them a favor by locking them up in the Sofia Prison. Recently, it was in that prison that a young Turk, G.E., found shelter. Like M.I., he lives in Germany. He went to visit Turkey. It was there that he was approached by the drug mafia. He was asked to take a car to Germany on his return trip and to deliver it to its owners. He was told that they would pay for the gasoline. They did not tell him that heroin would be hidden in the car. He agreed. In February 1991 he took off from Turkey to Germany. However, in Bulgaria he had an accident not far from the Tsurna Matsa Motel where his car collided with a Turkish truck. Two bags of heroin fell off the front part of the car. The boy was frightened. He and the truck driver searched the car and found another five to six bags. They threw them out in the snow. G.E. returned to Germany "clean." Shortly afterwards, people from Turkey began to look for him and only then was he told that the vehicle in which he traveled concealed a "good" and he was instructed to deliver it to thus and such. He claimed insanity. However, the mafia does not allow its heroin to be thrown in the snow. G.E.'s cousin was shot and wounded in the leg. He was warned that unless he finds the "item" he would be killed along with his cousin. He was instructed to go back to Bulgaria accompanied by an experienced drug trafficker, to recover what he had thrown out. Miraculously, the bags were in the snow, not far from the Tsurna Matsa Motel. They collected them and took off for Germany. However, they were stopped by a Bulgarian customs official....

G.E. does not know what has happened to his cousin. He knows what will be his fate after he is discharged from Sofia Prison.

* Negotiable Instrument Market Law Discussed 93CH0358I Prague HOSPODARSKE NOVINY in Czech 28 Jan 93 p 17

[Article by (rop): "The Law on the Securities Market"]

[Text] Only the securities of the most prosperous enterprises are traded in the market. The securities market is defined as a legal entity authorized to organize the demand and supply of securities at a specific location and within a specific time period through authorized individuals

The highest organ of the stock market is the General Assembly of stockholders. It elects and recalls members of the stock market Chamber or the Oversight Council and approves the stock market regulations and other rules of stock market trading. The statutory organ of the stock market is the stock market Chamber (a maximum of 24 members elected for three-year terms of office). It makes decisions regarding the acceptance of securities for stock market trading, grants and withdraws authorization to make buys and sells of securities, stipulates the registration fees, stipulates the amount of security deposits and the remuneration for services rendered by the Stock Exchange, and so forth. In addition, it proposes stock market regulations, stock market rules, and several other standards. It also sees to it that these rules and regulations are adhered to during the activities of the stock market

Only persons authorized to trade in securities according to a separate law may sell and buy securities in the stock market. In addition, they must be stockholders of the Stock Exchange or holders of an authorization to buy and sell securities on the Exchange, as granted by the Exchange Chamber. Those who do not have any authorization to trade in the stock market do so through individuals authorized to buy and sell securities. Legal entities that have authorization identify private individuals—brokers—who will trade in their names.

The duties of stock market participants include, for example, the fulfillment of obligations stemming from individual stock market transactions, the payment of deposits to secure obligations and risks based on stock market transactions and risks involved in trading on the account of the Stock Exchange (the amount of deposits is determined by the Chamber), and so forth. An issuer of securities accepted for stock market trading is obliged, within one year, to publish information regarding the results of his management, as well as his annual balance sheet.

Where the stock market regulations do not stipulate otherwise, the purchase and sale of securities among authorized individuals may be brokered only by agreed-upon Stock Exchange personnel. With a few exceptions, the latter may not engage in trading on their own account or accomplish trades in their own names. Upon conclusion of Stock Exchange transactions, they provide the other participants with a final listing, in which they

confirm the agreed-upon conditions of the trade. The settlement of Stock Exchange transactions is conducted by the bank or by another legal entity on the basis of a contract concluded with the stock market Chamber. All brokered transactions must be recorded in a diary by agreed-upon Stock Exchange personnel.

The prices of securities are determined, in harmony with the Stock Exchange rules, by Stock Exchange personnel. If an automated system of stock market transactions is in use at the Stock Exchange, it can be used to compute prices. Prices are published at the seat of the Stock Exchange and, upon conclusion of the stock market day, in its listing. It is possible to lodge a protest against these prices within three days following the day of their proclamation. A decision on this is made by the stock market Chamber within three days after receiving this protest.

Disputes involving trades on the stock market are decided before the appropriate court or by a stock market arbitration court. Sanctions for demonstrated violation of duties by a participant in a transaction and by an issuer of securities can range from a reprimand all the way through the recall of the stock market specialist or the temporary or permanent exclusion of the security involved from stock market trading.

The activities of the stock market are subject to state oversight, which is implemented by the appropriate Ministry of Finance through its stock market commissar. The ministry also has jurisdiction regarding the withdrawal of the permit to operate a Stock Exchange.

* Negotiable Instrument Law Reviewed

93CH0358H Prague HOSPODARSKE NOVINY in Czech 28 Jan 93 p 17

[Article by (dd): "The Securities Law"]

[Text] The movement of money and capital in the financial market is accomplished through the use of securities that are issued by entrepreneurial entities, the state, or communities. The first time a security is traded, it is done in the so-called primary market; all subsequent trades take place on the secondary market (primarily on the stock exchange or on a market outside of the stock exchange).

In the Czech Republic, the securities law became effective on 1 January 1993. It particularly regulates the opportunity to register securities and expands the regulation of contractual relationships in transferring securities. It also regulates the activities of institutions that are active in the financial market, the granting of permission to publicly trade securities, and the protection of the financial market.

"Coupon" stockholders will not own classic securities in the form of stock certificates but will receive dematerialized or, rather, recorded securities. This means that, instead of a list that is the carrier of legal claims, owners

of securities will have their accounts with the Center for Securities and will be informed by extracts from these accounts regarding the status of their shares. In case an extract is lost, there will be no problem in establishing a new account, and there will be no need to amortize the dematerialized securities, as is the case when a stock certificate is lost. The dematerialization of securities has been a worldwide trend in recent times. Registered securities may be traded only in the public market (on the stock exchange or on the extrastock exchange market). It is anticipated that the majority of the securities based on coupon privatization will be publicly tradable. That is why the issuer must fulfill the criteria called for by law (for example, to issue a prospectus, and so forth). The securities law also regulates the organization of the financial market. On this market, traders in securities will be operating. They will be accomplishing their transactions either in the securities market or in the extrastock exchange market. Both of these entities are considered to be the so-called organizers of the securities market.

Records of securities will be maintained by the Center for Securities, established by the Ministry of Finance. All of these activities require the acquisition of appropriate permits from the Ministry of Finance.

In transferring securities, the handling of their purchase or sale, in safekeeping, the administration of, and the deposit of securities require the conclusion of an appropriate contract by law. The situation is different with regard to the transfer of registered securities, where the security is transferred as of the moment the Center for Securities makes its entry.

The law also regulates protection for the financial market and for investors by instituting so-called state oversight. It will be implemented by the appropriate Ministry of Finance and will consist of oversight of trading on the exchange and in extrastock exchange markets. The law further prohibits the trading of securities by individuals who, as a result of their positions, have the opportunity of obtaining confidential information. In contrast, the prospectus of an issuer, which he is obliged to provide, is intended to provide adequate information to investors.

* Horn Explains Resignation; Party Spokesmen React

* Exchanges in Parliament

93CH0351A Budapest NEPSZABADSAG in Hungarian 26 Jan 93 p 1

[Unattributed report: "Gyula Horn Resigned as Chairman of the Parliamentary Committee on Foreign Affairs"]

[Text] The special winter session of parliament continued Monday with the resignation of Gyula Horn, chairman of the parliamentary foreign affairs committee. After the announcement, which preceded the order of the day, the representatives discussed amendments to social insurance legislation. The proposals in Welfare Minister Laszlo Surjan's speech were sharply criticized by opposition and independent representatives, and even the speaker from the minister's own party, the Christian Democratic People's Party [KDNP], took issue with the party president-minister.

In his address before the order of the day, the president of the Socialist Party gave a detailed account of the circumstances of his resignation. He related that 13 coalition members of the foreign affairs committee requested his resignation in a letter because in their opinion the committee chairmanship was incompatible with the office of a party president. Horn explained that neither the house rules of parliament nor the Constitution provided directions concerning the incompatibility of these offices. "There was and there is no objection to Mr. Gyorgy Szabad or Mr. Ferenc Kulin, members of the presidium of the Hungarian Democratic Forum [MDF], holding high offices in parliament," he established. There are also international examples for holding such dual offices. In Finland, former Foreign Minister Perti Passio held the office of president of the Socialist Democratic Party, which had become a party of the opposition, at the same time as he was chairman of the foreign affairs committee of the Finnish parliament. In France, Giscard d'Estaing chaired the foreign affairs committee of the National Convention dominated by a socialist majority while he was leader of the oppositional Union for French Democracy [UDF].

Horn also denied accusations that any of his statements were detrimental to the interests of Hungarian foreign policy. He explained that on the basis of the above, he would have the right to dismiss the request for his resignation. "For the sake of historical accuracy" he also noted that it was not he who applied for the office, but rather he was asked by Jozsef Antall in the name of the MDF in April 1990. "However, it is not my intention to fuel a several-months-long discussion of my own affair," he said, and announced that he would resign as chairman and as member of the foreign affairs committee. His resignation did not mean he was backing away, but only that he took notice of the intention to remove him based on power relations in parliament, concluded Gyula

Horn, member of the European Senate and of the board of directors of the Stockholm International Security Institute.

Following the announcement of the resignation, Jozsef Torgyan contended that because of the balance of power, the chairmanship of the foreign affairs committee was due to the Independent Smallholders' Party [FKGP], but Antall gave it to someone else in the course of a peculiar bargain. For this reason, the president of the FKGP called this bargain dishonest.

Prime Minister Jozsef Antall expressed his honest regret that he had to address this issue. He said the records bear witness that the parliamentary offices were distributed based on an agreement between the parties in parliament. One of the signatories of these agreements was Jozsef Torgyan. "In 1990," the prime minister recalled, "the Alliance of Free Democrats [SZDSZ] insisted that the budgetary committee be chaired by a member of the opposition, while the Smallholders asked for the leading position of the defense committee. The request of the Hungarian Socialist Party [MSZP] for the chairmanship of the foreign affairs committee was formulated in the same way, which we acknowledged, and did not object to the person, either," Antall said. He added, "In the period of transition and continuity, this appeared to be a very good solution. We thank Gyula Horn for his service up to now, and we consider it evident that the MSZP will nominate the chairman of the foreign affairs committee," the prime minister concluded.

* Party Spokesmen's Views

93CH0351B Budapest NEPSZABADSAG in Hungarian 26 Jan 93 p 4

[Article by A.D. including statements from a news conference by Laszlo Kovacs, Hungarian Socialist Party; Gyorgy Csoti, Hungarian Democratic Forum; Istvan Hegedus, Federation of Young Democrats; Istvan Szent-Ivanyi, Alliance of Free Democrats; and Gyorgy Sandorffy, Independent Smallholders' Party: "Horn Resigned as Chairman of the Parliamentary Foreign Affairs Committee"]

[Text] Following his resignation, Gyula Horn answered questions by reporters at a press conference. He said that the Socialist faction nominated Laszlo Kovacs to be his successor as chairman of the Foreign Affairs Committee.

He felt the office of committee chairman "meant certain restrictions" from which he would now be freed. He did not wish to decrease foreign policy activities; Sunday he was going to leave for the World Economic Forum in Davos where he was going to give a lecture along with the Czech, Polish, and Swedish prime ministers.

The president of the Hungarian Socialist Party [MSZP] told our reporter that he considered it impossible that the initiative to remove him from his position was the brainchild of the coalition representatives on the Foreign Affairs Committee. In his opinion this was decided on

the highest level, by the highest officials of the coalition parties. This was suggested by the utterances made in parliament after the national convention of the MSZP on 5 December by Justice Minister Istvan Balsai and Imre Konya, leader of the MDF faction. In conclusion Horn said that he informed his foreign partners of his resignation, as well. Our correspondent asked some members of the foreign affairs committee what they thought of Horn's resignation.

"Forcing Gyula Horn to resign is a serious warning for me that unexpected and humiliating things can happen to a representative who is in the opposition and in a 'minority' position," Laszlo Kovacs [MSZP] told our newspaper. He will be nominated by his party to fill the vacant position of chairman of the foreign affairs committee.

According to Kovacs, Horn, as a personage of Hungarian foreign policy respected throughout Europe, did a lot in the past 30 months to create consensus on foreign policy, and his activity was never directed by considerations of party politics. The visits of delegations of the foreign affairs committee led by the resigned chairman to Moscow, Bucharest, and Pozsony [Bratislava] facilitate the end of the deadlock in the relations between Hungary and the respective countries.

At the same time, the socialist representative recalled the parliamentary vote of last October in which, among other things, Gyula Horn was reaffirmed in his position of chairman. Nine of the 13 coalition representatives of the Foreign Affairs Committee voted yes, and four of them were absent.

To the suggestion by our newspaper that the coalition representatives perhaps took exception not so much to the incompatibility of Horn's two offices, but rather to certain statements he made in these qualities which supposedly hurt Hungary's international prestige, Representative Laszlo Kovacs said that since the existence of the multiparty parliament there has been a discussion about what hurt the country's interests more, when the government, or certain coalition politicians and representatives made erroneous statements, or when the opposition criticized these erroneous steps, added Laszlo

Kovacs, whose nomination will have to be approved by the Foreign Affairs Committee and by parliament [as published].

"We did not request that Horn resign, but rather that he choose between his two positions of chairman and president," Gyorgy Csoti emphasized. According to the MDF-member vice chairman of the Foreign Affairs Committee, in the past months Gyula Horn made several statements which were liable to bring the government and the coalition parties into disrepute. "I don't claim that Horn made critical remarks on purpose, but since there was a succession of such cases, the 13 coalition representatives believed that the positions of party president and chairman of the Foreign Affairs Committee were incompatible," added Csoti, who was surprised by Horn's resignation, because based on the MSZP's statements up to now he did not expect it.

Istvan Hegedus, vice chairman of the Foreign Affairs Committee, interpreted Horn's resignation as a bold gesture, because the matter could easily have turned into a dispute indulging in personalities, drawn out for several months and stifling the work of the Foreign Affairs Committee. The FIDESZ [Federation of Young Democrats] politician said that Horn's person hindered cooperation between the government and the committee, and under the leadership of the new chairman the professional character of the activities of the Foreign Affairs Committee could perhaps be strengthened.

Istvan Szent-Ivanyi did not interpret Horn's decision as backing away. At the same time, he would not consider it desirable if the government coalition overturned agreements made in 1990 and questioned the delicate balance which has evolved in parliament. According to the SZDSZ vice chairman of the Foreign Affairs Committee, Horn did not attempt to assert party interests during his period of leadership, but at the same time Szent-Ivanyi also acknowledged that the committee's professional activities could be strengthened under Kovacs.

Gyorgy Sandorffy, member of the Foreign Affairs Committee, was surprised by the announcement of the day, but—as he said—he warned Gyula Horn several times about his "schizophrenic" position after he was elected party president. Sandorffy also took exception to certain statements that Horn made as party president, but in the representative's opinion, frequently the press also did not distinguish what Horn said and when.

* Solidarity Group To Form Political Party 93EP0169A Warsaw RZECZPOSPOLITA in Polish 30-31 Jan 93 p 2

[Article by Bernadeta Waszkielewicz: "You Are Despicable"]

[Text] Aside from issuing declarations, "Net" does not intend to undertake other actions to defend the president against attacks by the previous government. The presidium of Net—the factories that "made the largest contribution to winning democracy for Poland," as the head of the Plant Commission of the Gdansk Shipyard said—is regarded by some as an enigmatic body of leaders making their own decisions in the name of the largest plants in Solidarity. Their political adversaries, and even some union colleagues of the above-mentioned leaders, think that Net has made the first (very large) step toward forming a presidential party.

Without Further Play

Marek Lenartowski, the head of Solidarity at Cegielski, says that certainly Net will not organize counterdemonstrations "to drive away those destabilizing the situation in Poland." The representatives of the presidium, of the factory committees from the Warsaw and Sendzimir Steelworks and the Wujek mine, the Cegielski factory, and the Gdansk Shipyard are of the same opinion. "That was only an evaluation of the situation; we will not take other steps," says Jacek Gasiorowski of the Warsaw Steelworks. "On the other hand," Lenartowski thinks, "in a state of laws like Poland, the police and similar institutions should keep order and control the situation."

The head of Cegielski adds that there was no intention on the part of Net to arouse among the president's adversaries a sense of a threat to use force during the demonstration in front of the Belweder. He only thinks that similar demonstrations could lead to bloodshed. They should be stopped, even by force. "The Center Accord (PC) takes the declarations of Net in this way because it wants to arouse alarm," Gasiorowski adds.

Jerzy Borowczak, the head of the Factory Committee at the Gdansk Shipyard, does not promise, however, that Net will take no further steps. In the middle of February, there is to be a meeting at the Coking Plant in Zdzieszowice, an economic meeting, but it is possible that it will also make decisions "to prevent the structure of the state from collapsing."

The President's Support System

Lenartowski repeatedly and forcefully denies that Net is a support system for the president, but "one must respect the office." "Order in the state is not a political question. The union must desire a better standard of living and calm." According to him the actions taken by many politicians will cause the destabilization of the state. That in turn will move to the places of work.

"We want someone to govern, that is all," says Borowczak. "It was I who said, 'We are your army,' when we handed the eight postulates to the president and he said that he does not govern but that he will help. But we are not building a presidential party; no leader of a factory committee of Net will found it unless it is outside the union. Everyone is running to hide behind the president."

Leaders Not Isolated?

Lenartowski says that the leaders of Net know the mood of the members of their factory committees and that they sometimes make decisions without consultations; this, however, was discussed widely. Ever more declarations of the factory committees are appearing in this matter from Slask, Gdansk, and Krakow.

Wladyslaw Kielian from the Sendzimir Steelworks has been on vacation for a week. The factory committee he heads has not held a meeting of Net and has not received a fax; thus, he does not know what is going on.

"Mr. Kielian is in Net," explains a woman at the Sendzimir Steelworks. "We know nothing."

Gasiorowski says that Net as a union is interested in the economy, but the situation requires that it comment on political affairs. But they are definitely not stimulated by the Belweder.

Jerzy Borowczak, the head of the Shipyard factory committee, says that "people are demanding we take a position on the dissolution of the state. They will argue and the factories will collapse."

According to him, the people at some point will go to the regional offices of the trouble-causing parties in order to ask what their game is. "They were ministers and they did not show that the country is important to them."

"It is possible to say," Borowczak thinks, "that no more than a dozen or so leaders knows about the declaration of the presidium, but few of the people in Kaczynski's march on the Belweder will know what is going on. I will encounter no accusations from the factory committee that I signed the declaration, the others won't either."

On Friday, the Solidarity factory committee at Cegielski issued a declaration on the "growing campaign of hate against the president." Marek Lenartowski personally took a position: Lech, among other things, a founder of NSZZ Solidarity, winner of the Nobel Peace Prize, and among those "who maintained his honor and respect in Poland's most difficult moments," "certainly has not avoided many mistakes, has made several unfortunate decisions; he has offended some of his supporters," but no one in Solidarity, the government or parliament is free of them. "Where are the National Commission, the regional boards, everyone, who owes his career to

Walesa, today? They are silent, they have political deals, connections. They no longer need Walesa."

According to Lenartowski, Solidarity's passivity, the union supported Walesa in the presidential election, is giving the union a bad name. He recalls that the delegates to the fourth general assembly of the union gave an ovation to the former premier Jan Olszewski, "who did nothing for the Polish economy, but on the next day it greeted the president in a scandalous fashion during the same meeting, and then he was showered with false accusations."

"At one point Walesa told the hall, 'You are despicable,' and he was right. Walesa should be criticized, pursued, corrected, but above all supported and not left alone and exposed to fate. He does not deserve that," declared Lenartowski.

Grzegorz Jaczynski, the press spokesman for the National Commission, did not comment on the decision of Net to form "the president's army." He says that he simply does not know the Net declaration. It was not sent to the National Commission.

* 1992 Growth Trends Examined by CUP

93EP0165B Warsaw RZECZPOSPOLITA (ECONOMY AND MARKET supplement) in Polish 18 Jan 93 p I

[Article by Antoni Kowalik: "The Economy During the Past Year: Better in Production, Poor in Construction and Finance"]

[Text] As is evident from data of the Central Planning Administration [CUP], after two years of deep recession, an improvement in the situation was noted in some production sectors in 1992.

Revitalization pertains mainly to industrial production, whose value was 3.5 percent higher than a year ago. Growth trends were noted from April 1992 (in the first quarter there was a drop of 8.7 percent), which resulted in an increase in production in the April-December period—an increase of approximately 9 percent in comparison with the same period of the preceding year.

The highest rate of growth in production was noted in the following industries: wood-paper, mineral, and food. There was a drop only in the metallurgical industry.

From the CUP analysis, the past year was also marked by high growth in labor productivity in industry. In the fourth quarter, this index was 17 percent, and, for the entire year, it was 12 percent. Predictions for the current year indicate a great probability that this trend will continue. Despite regression in housing construction and smaller investments, increased activity in the construction-installation enterprises persists. Their production was approximately 7 percent higher than a year ago. This was due in part to the great demand for repair-adaptation and modernization work.

In housing construction, on the other hand, the past year was a consecutive year of regression. Only 1,229,000 units were delivered, more or less the same number as in 1957. This is primarily the result of a drop of more than 40 percent in the number of unfinished buildings and the protracted cycle of construction as well as the still unresolved problem of financing after the state stopped subsidies. Predictions for the current year are even worse because they indicate the possibility of delivering no more than 80,000 new houses. Meanwhile, it is estimated that 350,000 to 400,000 houses would be needed annually—five times the present number—to eliminate the housing shortage and improve the quality of houses already in use.

The revitalization of production has not improved the still poor financial situation of enterprises; it continues to grow worse. After 11 months of 1992, the proportion of prime costs increased to 96.3 percent as compared with 93.7 percent during the same period of the year before. The earning capacity index dropped from 5.8 percent to 3.1 percent, and, from the profitability index, it appears that, for each 1,000 zlotys [Z] of income, enterprises suffered a loss of Z6, while a year ago it was Z3.

This situation is the result primarily of inadequate exploitation of production capital and high-dividend liabilities, a lack of private resources and the need to use expensive credits, increasing competition, and the impossibility of financing inventory, which results in the enterprises selling below their costs.

In conjunction with the rapidly growing budget deficit and the need to finance it through banks, credit for personal projects or projects in the economy is clearly limited. Credits for projects in the economy dropped by approximately 14 percent during the past year. Payments of credits for the budgetary sector in 1992 exceeded the planned level of indebtedness of this sector by more than Z36 billion and involved 66 percent of the total increase in credits issued by the banking system.

The inflation rate was decidedly smaller than in past years. The average annual increase in retail prices of goods and services was 43 percent, while, in 1989, prices increased by a factor of 3.5, in 1990 by a factor of 7, and in 1991 by 70 percent. CUP indicates that, in 1993, the rate of price increases will be somewhat lower and will amount to approximately 40 percent.

Last year, the cost of services increased most—67.6 percent; the rate of increase of food prices remained almost the same, 36.9 percent; that of nonfood goods 36.5 percent; and alcohol 36.5 percent.

Average real wages in the national economy decreased by 4 percent.

In 1990-92, the purchasing power of the dollar dropped by a factor of almost five.

* Political Views of Managers Examined

93EP0165A Warsaw RZECZPOSPOLITA (ECONOMY AND MARKET supplement) in Polish 15 Jan 93 p II

[Article by P.A.: "Managers and Politics"]

[Text] In many points of the questionnaire, there were critical evaluations of the situation in the country, statements by people more or less clearly dissatisfied with the government. Managers are worried about the fate of their companies, and they perceive a substantial proportion of their problems to be the lack of a proper economic policy.

Meanwhile, they are ready to participate actively in political life, and, in December 1992, as compared with June, the percentage of managers intending to vote in the coming elections has increased markedly (from 68 to 79 percent). As before, managers of larger companies most frequently voiced an intention to vote, and, to some extent, more in state than in private enterprises and more older than young managers. It may be, therefore, that part of the increase in the total number of declarations of intention to vote is due to the fact that, in the December poll, with a few exceptions, we questioned managers of companies that employ at least five persons. While, in June, 70-75 percent of the managers of companies employing more than 100 persons expressed their intention to vote, at present, 90 percent of this group do. Meanwhile, in the private sector, the percentage increased from 63 to 76; no doubt businessmen want to have greater participation in selecting the leadership. This pertains to every group.

Sentiment Instead of a Program

Political preferences have not changed significantly.

In voting preference, the first two places continue to be occupied by the Democratic Union (27 percent) and the Liberal-Democratic Congress (18 percent). But they have suffered serious losses, especially the Union, which got 38 percent of the votes of company managers last June. The losses are telling, especially among managers of cooperative and private companies. The Union, on the other hand, became stronger among managers of state enterprises. The Congress also suffered certain losses, but it also improved its position in the group of private-company managers.

Leftist parties occupy a good position: the Alliance of the Democratic Left (13 percent as against 9 percent in June, an increase in popularity in state enterprises), Union of Labor (7 percent; formerly, it was scarcely recorded, but now it is strong among presidents of cooperatives), and the Polish Peasant Party (4 percent). The remaining parties are of negligible importance among managers. Next in line, the Union for Real Politics, had less than 4 percent of the votes, mainly among managers of private companies, obviously.

The Democratic Union was selected by managers of average and large state enterprises. Liberals (together

with supporters of the Union for Real Politics) are stronger among managers of small companies located in large cities and managed by independent owners.

The Leftist Alliance has its supporters among older managers in the cooperative and state sectors in small cities. The electorate of the Union of Labor is similar.

Voting declarations are convergent, but not entirely, with evaluations as to which party has a program most favorable to the economy and business interests. While the Union and the Congress got the most votes (20-21 percent), the program of the Alliance of the Democratic Left was evaluated positively—speaking statistically—by only slightly more than half of the managers willing to vote for that party. The situation was the same in the case of the Union of Labor: Fewer individuals value the program, somewhat more are willing to vote for the party. Programs of the other parties gained only trace support not exceeding 3-4 percent, and one-third of those questioned responded "don't know" or that "no program of any party" is satisfactory.

Balcerowicz as Prime Minister

Those polled were also asked which of the Polish politicians, in their opinion, would be the best prime minister from the point of view of economic interests as a whole and interest of their companies. Because it was an open question, several dozen names appeared, not counting responses such as "don't know," "there is no candidate," "a good professional," and so forth. A significant majority of the candidates suggested by the managers got only single votes. The leaders were: Leszek Balcerowicz (15 percent), Hanna Suchocka (12 percent), and Andrzej Olechowski (11 percent). Jan Krzysztof Bielecki got 6 percent of the votes, and several other people got from 2 to 5 percent. Names of businessmen were a rarity.

Almost every one of the three leading names constitutes something of a surprise, but the greatest surprise is the leading position of Balcerowicz, frequently placed in the position of a sacrificial goat by politicians. Even more surprising is the fact that he got more than the average number of votes among managers of state industrial enterprises with large sales and high employment. The group favoring Andrzej Olechowski is similar in composition. The private sector, somewhat more frequently than the average, selected Balcerowicz, Suchocka, and Bielecki.

The Government—If Only It Would Be a Bit More Respectful

The managerial pool is not, it seems, a classical lobby, despite its increased interest in elections. This is indicated not only by the fact of divergence in evaluations of party programs and voting preferences or the fact that half of the managers are not interested in becoming involved in politics in any other way than participating in elections (more about this later).

The most serious evidence supporting the hypothesis of limited interest of the managerial group are the responses to the question about the position of the government in disputes between employers and employees. Three-quarters of the businessmen believe that the government should be an arbitrator, and fewer than one-fifth believe it should be on the side of the employers. Differences among specific groups were slight; only managers of state enterprises expected somewhat greater support, specifically for exporters. From this, it would seem that the position of company managers is not as weak as it is frequently assumed to be. In any case, they do not dramatize their prospects in disputes with workers. They would like at least fair treatment by the government, which frequently sides with the employees not only in collective disputes but also in preparing the "Pact on the Enterprise."

In the middle of December, many weeks after publication following three-sided negotiations, the pact was still little known and skeptically accepted. In the private and cooperative sectors, 60 percent of managers believed that it did not pertain to their companies, despite the fact that one of the most controversial questions was the forced creation of social and housing funds and representation of trade unions in the private sector.

Close to one-third of the managers of state enterprises believed that it would create a mess instead of resolving problems (exporters were particularly critical of it) and that problems would be resolved for only fewer than one-fifth.

More than one-quarter of those polled, including those in specific sectors, knew the pact principles at the time they were polled. Thus far, the fiasco of the pact seems to have aroused no special grief among the managerial group.

Selecting Their Own Deputy

Let us return to the political questions. Responses to the question on the prime minister could be treated as a manifestation of sorts of personal sympathy. More important questions pertained to the matter of representation of the managerial group in politics. A few weeks before polling, one of the organizations of businessmen presented the idea of creating a special election fund so

that they could elect several dozen representatives of their own circle to parliament.

Half the managers are either opposed to creating such a fund (11 percent) or, especially, to financing politicians and a party (40 percent). Managers of state and cooperative enterprises, who are older, are dominant in this group, and here as many as two-thirds of all responses were negative. It seems that they are especially uncertain of their positions and react with exceptional skepticism to the proposal of political lobbying activity.

The younger generation of businessmen from the private sector is somewhat more positive with respect to this form of involvement in politics.

It expressed a readiness to support the fund financially more frequently; the differences were not great, but were clear.

In the whole group of people willing to accept the idea of an election fund, more favored putting up their own candidates than supporting specific political parties (by 2:1). Also, the degree of willingness to support a fund financially was also relatively higher than simply accepting the idea itself (also 2:1).

The creation of a fund to support political parties and candidates, regulated in a civilized manner, is something different from corruption of politicians. We asked the managers for their opinions on what proportion of politicians is involved in corruption, which appears from time to time (taking bribes, using their positions for personal purposes, and so forth).

The managers, whose attitude toward observing laws is, let us say, pragmatic, as was indicated by the June poll, have a quite poor opinion of the integrity of politicians. More than half the businessmen believe that this charge is well founded with respect to at least one-third of the politicians. One-third of the managers are convinced that at least half the politicians are corrupt. Scarcely one-fifth of the managers believed that the proportion of corrupt politicians does not exceed 15 percent.

Unfortunately, the results of the poll do not answer the question as frivolous as it is serious: to what extent were their opinions formed by the reality with which they themselves were dealing.

Controversial Staff Changes at Opposition Daily

Introductory Comments

93BA0513A Bucharest "22" in Romanian 14-20 Jan 93 p 4

[Text] On Monday, 11 January 1993, ROMANIA LIBERA appeared without its listing of editors. On Friday, 8 January, using the reason of trying to become more profitable, the general director of the "R" Society Petre Mihai Bacanu fired the editor in chief (Tia Serbanescu), announcing that he himself would hold the job from then on and he called for a different organization for the paper. As a result, four members of the Directorial Committee (Mihai Creanga, Florica Ichim, Teodor Serbanescu, and Raluca Stroe-Brumariu) resigned.

The continually rising costs of paper and printing already had interrupted the appearance of some weeklies in the provinces (NU, CARTEL, GAZETA DE MURES). ROMANIA LIBERA could have been able to avoid these problems because it has the "R" Society behind it (or in front of it). Along with other businesses, the "R" Society also owns a printing house which has been delayed going into operation for three years.

Before stating that he was dissatisfied with the way the paper was being run, perhaps it would have been more useful for the director general of the "R" Society, P.M. Bacanu, to have looked at his own activity "in a self-criticial way." However, instead of this, he suddenly raised the price of the publication; circulation fell from 190,000 to 100,000 and then started to increase again. At this point P.M. Bacanu stepped in. For that reason it does not seem very plausible that this alone was the reason for the change.

Was it really due to the innumerable activities and leadership functions (president of the AZR [Association of Romanian Journalists], vice president of the Civic Alliance, the election campaign and so forth) held in such a short time that P.M. Bacanu so easily rejected the team that had succeeded in making ROMANIA LIBERA an institution of the democratic opposition?

However, it is strange that as a first variation P.M. Bacanu, chose Sorin Rosca-Stanescu (deputy editor in chief) and Florin Gabriel Marculescu (chief of the political section)—newspapermen whose files as informers already had been made public. Although up to this moment their acceptance has not been announced officially, it still seems that Sorin Rosca-Stanescu received permission from [EVENIMENTUL ZILEI editor] Ion Cristoiu to work at ROMANIA LIBERA (which is disloyal for two competing daily papers), but using another signature.

Maybe he will sign Deleanu because H15 is still too unusual for the Romanian press.

The only journalist P.M. Bacanu kept from the old team is Anton Uncu (deputy editor in chief), whose paper MOMENTUL was journalistic and managerial failure

and cost the "R" Society many millions, a fact that would not recommend him for any kind of operation designed to make a newspaper more profitable. Romania today no longer needs miners to destroy a publication.

Bacanu Offers Explanation

93BA0513B Bucharest "22" in Romanian 14-20 Jan 93 n 4

[Interview with P.M. Bacanu by Rodica Palade; place and date not given]

[Text] [Palade] What caused this change in your editorial staff? Please tell us what the change is.

[Bacanu] I found that the editorial staff was being used too little, that is, a lot of people were not being used and readers were criticizing us for lack of mobility and for moving away from specific up-to-date information, especially social information. I say it is not a tragedy at all. I appointed young heads of sections and nobody remains a section head forever. On a provisional basis I also took over the job of editor in chief until we find a solution.

[Palade] You announced that Sorin Rosca-Stanescu would be deputy editor in chief and Florin Marculescu would be chief of the political section.

[Bacanu] Yes. I was counting on their longstanding wish to return to being editors.

[Palade] By appointing them to leadership jobs, didn't you think that the position would be attacked—not only the position of the paper, which has become an institution, a tip of the spear in the struggle for democracy and so forth, but also even the opposition, knowing that these are two people whose files have been made public?

[Bacanu] Looking back, I feel it was a big mistake to bring up those files. For one thing, this was not a very serious matter compared with what others did. That is, their ties with the Securitate were rather weak. I feel that the "confession" was an enormous mistake we made, subjecting the two editors to a humiliating examination and I blame the "matriarchate" of the editorial staff for this, particularly since it did not have any effect. It was a useless disturbance while others profited from the fact that we rejected some editors so very quickly.

[Palade] So at this point you do not feel that the existence of those files is important?

[Bacanu] No. Because both Florin Marculescu as well as Sorin Rosca-Stanescu have demonstrated in everything they wrote after the revolution that they have integrity.

[Palade] Did you ask Virgil Magureanu to tell you if there still are other files for other members of the editorial staff as well?

[Bacanu] Yes. And he has not given me an answer yet. I even asked him to give us the complete files of those two, if they exist, so we can form an opinion. Their interest was to dig this trap into which we definitely have fallen.

c[Palade] And at one point it was said that you also have a Securitate file. Is it true?

[Bacanu] I ask myself how many of the Securitate informers or collaborators were arrested. Not even the big "plotters" of the KGB were arrested. The Securitate would never arrest one of its collaborators. All they would have to do is fire him. But this is not what is important.

There was another problem. The editorial staff's senate had decided to reaccept our colleagues, after which the Directorial Committee undemocratically simply invalidated the decision of the editorial staff's Senate. After a while, after this scandal was over—one which did not even have to exist but it did exist due to the friction among the editorial staff and unending discussions—the editorial staff was bothered by the fact that what had been decided jointly was allowed to be invalidated by the Directorial Committee. I knew that they wanted to return; I was thinking of a way to make it up to them. But they will not come back. They refused.

[Palade] Now having become editor in chief, what criteria will you have for selecting reporters?

[Bacanu] The only criterion will be the professional one. We will focus on young reporters who hunt for information. What the paper needs now is information.

[Palade] You are the director of the "R" Society and now editor in chief of ROMANIA LIBERA; you are in the leadership of the Civic Alliance and the AZR [Association of Romanian Journalists]. Don't you feel overwhelmed by so much responsibility?

[Bacanu] I do not but I will give them all up gradually. Now I am going to devote myself to the paper, at least until we think about an editor in chief, with the current formula not being the final one. I am merely making sure the job will continue to exist. I hope Mihai Creanga and Tia Serbanescu will think more about the differences of opinions on the organization and not the paper's orientation, because there is no question of the paper's changing its orientation. I am too close to both of them to remain indifferent. If I really suffer and have nightmares it is only about the two of them.

[Palade] I understand that the new format you proposed for the paper will no longer include Tia Serbanescu's "In Brief" column. Is that true?

[Bacanu] Not at all. I even wanted to ask Tia Serbanescu to continue writing, since she still has vacation time left.

[Palade] Does the "R" Society financially back the paper? About what percentage of the paper's expenses are covered by the society?

[Bacanu] About 30 percent.

[Palade] What is happening with the printing house? It should have gone into operation back in 1990 and would have been in a position to help the independent press?

[Bacanu] I am concerned about the fact that very many people from the editorial staff keep asking me when the printing house will be ready but nobody has gone to see what's there. On the other hand, Mr. Liiceanu did go and was impressed by what has been accomplished. Of course, it was not normal for us to start it during a period when we knew that hundreds of industrial halls would remain unused, but the government kicked us out every time we found a little spot. Finally we found this place on a swamp and we built something. At this moment it is the largest investment next to the Metro and I hope we can start it up in about a month.

[Palade] Being in the leadership of the Civic Alliance, which was deeply involved in the life of the Convention, are you assuming part of the failure it suffered in the elections?

[Bacanu] I think mistakes were made on several points due to the fact that the opposition did not succeed in establishing close relations with the peasants. It had to adapt to a people used to "what you can give us." Clearly, the election was lost in the villages. Clearly, added to this were Iliescu's celebrated rumors that the opposition "would bring back the landowners" and that Mr. Coposu "had blacklists for the communists." The second reason for the failure is the existence of too many parties. If we were to get away from the mindset that every Romanian should be a party chief we will gain a lot.

[Palade] Do you think that you personally could have done more?

[Bacanu] I do not think I could have done more. Just between the two of us, I urged the Convention in the strongest possible terms to designate a single presidential candidate faster, not to lose precious time with all those lists, and start the electoral campaign sooner and so forth. Now I have the sense that a lot of them have stumbled and are returning to the Romanian mindset before the Revolution, and that they are drawing closer to the government while at the same time trying to survive by entering into all kinds of relationships.

[Palade] After the elections it was said at one point that Mr. Iliescu would have ROMANIA LIBERA on a platter in three months. Do you think this is possible?

[Bacanu] I say that, on the contrary, he will not be able to have it "on a platter" because we will continue to focus on the government and will criticize all the mistakes the government makes. We will not overlook anything. The fact that we maintained a certain distance from the government after December 1989 is all the more reason why we should not change our policy now.

Fired Chief Editor's Reaction

93BA0513C Bucharest "22" in Romanian 14-20 Jan 93 p 4-5

[Interview with Tia Serbanescu by Rodica Palade; date and place not given]

[Text] [Palade] Tia Serbanescu, did you finish writing your "In Brief" column for tomorrow's paper?

[Serbanescu] No.

[Palade] Why not?

[Serbanescul I do not have anywhere to publish it.

[Palade] What do you mean?

[Serbanescu] The paper's new format does not have room for "In Brief." On Friday, 8 January, at noon, P.M. Bacanu, the paper's director, called a meeting of the Directorial Committee, announced he was taking over leadership of ROMANIA LIBERA, and presented a new format for the paper.

[Palade] Can you describe this new format for ROMANIA LIBERA?

[Serbanescu] Not very well because the format was not a clear enough, was not sufficiently definite. In any case, it did not resemble what we thought modernization of the paper should be, from a journalistic point of view. For example, as P.M. Bacanu indicated, the first page was to feature a commentary signed "RL" or left unsigned. On the right side there was to be something called "The Phantom Government of ROMANIA LIBERA," a caricature with an interview, an investigative article or a report.

(The phone rings and we are interrupted.)

[Palade] Who was on the phone?

[Serbanescu] Petre Mihai Bacanu. He said I should return to the paper as deputy editor in chief, with him as editor in chief; I, Mihai Creanga, and Anton Uncu would be deputies for a while. I do not want him to think I am stubborn or proud, but what am I to say about a man who two days ago accused me of leading the paper to ruin and who now he proposes a leadership position for me?

[Palade] Tia Serbanescu, I would like you to explain the operating procedures at ROMANIA LIBERA. Who appoints the editor in chief? Two months ago you were appointed editor in chief and now two days ago you were fired.

[Serbanescu] It is very complicated. We have a statute, maybe even two, which sometimes are enforced and sometimes are not. P. M. Bacanu, as president of the "R" Society, can appoint and fire the editor in chief. So he fired me and appointed himself. I handed in my resignation from the Directorial Committee—bearing in mind the accusations he made but also because I could not see how I could allow myself to be involved in this new format for the paper, which had not been discussed beforehand even for a second. Under this new organizational structure, P. M. Bacanu proposed that I be chief of the cultural section but, actually, the cultural page had disappeared, having become a simple listing of cultural

events). Mihai Creanga, deputy editor in chief, resigned right after I did, along with the two general editorial secretaries Florica Ichim and Teodor Serbanescu as well as Raluca Stroe-Brumariu, head of the internal political section. As the new editor in chief, P. M. Bacanu had the right to pick his executive team: the editorial staff's general secretary, deputies, and heads of sections. This was done on Saturday, 9 January. The Directorial Committee is elected by the Editorial Senate. Having resigned from the Directorial Committee, it would have been standard procedure for the Senate to be informed of these resignations, to discuss them, confirm them, and then elect another committee.

But there is something else that has been causing problems, dating back not to yesterday or the day before, but to a year or even two years ago, when, at the beginning of 1990, a Directorial Committee and a president of the "R" Society were elected. At that time, provisions were not made in the statute regarding the length of the term for which committee members and the president of the "R" society were to be elected. Many started to ask how long we elected these people for. For life, like Ceausescu, or for four years, like Iliescu? Or do we change them whenever we want, every three months? On the other hand, as long as one-third of the membership wanted it (a ratio that also changed all the time), there were provisions making it possible to request that the Senate convene and change the political line of the paper and the composition of Directorial Committee, if there was something unusual. Since then, twice or three times in 1992 we had meetings during which a change in the leadership team was requested; subtle and more direct reasons were given. Each time these attempts failed. I suppose it was for this reason that the Editorial Senate did not meet this time and that it was decided to make the changes this way.

[Palade] What were you blamed for?

[Serbanescu] Some things were more general, others were more specific. I will tell them to you as I remember them: that circulation had dropped alarmingly, that I was responsible for the paper's undesirably inflexible political analysis, that there was a tone of mockery, which is not good, that not enough attention was being paid to the problems of ordinary people, that we were not presenting very much information..., namely, the same criticisms that we have always been hearing and not just for the pas two months. For example, circulation dropped a lot compared with 1990 (and not just at our paper but at all the dailies). It was strange to hear Bacanu saying that we had a circulation of 1.5 million in 1990. Nobody has circulation like this anymore. Our circulation until last week was around 190,000, which is an average circulation given that we have been recovering from the shock of the price increases. The price rose again on 1 January. I was not the one who decided this. It was explained to me, with pencil in hand, that it was necessary. But I never understood why financial problems of the "R" Society had to be solved at the paper's expense. But this is the problem of the Administrative

Council. So, after the 1 January price increase, it was natural for circulation to drop but it had begun to rise again. I also should add that the distribution sector was never analyzed.

[Palade] With whom did you work best during the time you were editor in chief? Who helped you the most?

[Serbanescu] It was truly a dramatic period: we had the winter holidays, the printers' strike, and very, very few people on the editorial staff.

[Palade] How many employees does ROMANIA LIBERA have?

[Serbanescu] About 300 or so, including the "R" Society. Around 80 editors. During the period we were talking about, many took their vacations, saying that the year was ending and they would lose their vacation time. Actually I worked with just a handful of people, while others stood aside waiting for something—a change, or waiting for us to sink, or just being happy to criticize without doing anything. They made up those "little cliques" which P. M. Bacanu blamed me for. This handful of people worked, for better or worse. The others did not earn their paychecks.

[Palade] Did P. M. Bacanu announce this change to you? [Serbanescu] No.

[Palade] But when were you told?

[Serbanescu] On the very day he made the change.

[Palade] You left ROMANIA LIBERA one other time. Are the two times similar?

[Serbanescu] Actually in 1993 I was just fired from my position. I did have the opportunity to stay on as head of a section or a simple editor. Just a few moments ago P. M. Bacanu offered me the job of deputy (the phone rings again and I turn off my tape recorder).

[Palade] Who was on the phone?

[Serbanescu] Nicolae Manolescu. He is inviting me to join ROMANIA LITERARA and bring along my "In Brief" column (she laughs). This is the second offer, following the one from "22." Let us go back to the starting point. I walked from the office to the elevator in the same atmosphere, embarrassed, while people who avoided looking at me, just like in 1989.

[Palade] You were saying that you worked with very few people. At the same time the story is circulating around town that you criticized Gilda Lazar and that she had to transfer to EUROPA LIBERA because of you.

[Serbanescu] I did not criticize her; I rewarded her. The rest is just vanity or pretext. She discussed her transfer to EUROPA LIBERA with Bacanu.

[Palade] Are there any communist influences left at ROMANIA LIBERA?

[Serbanescu] We are now having to bear the consequences of the fact that ROMANIA LIBERA was not able to free itself from communist practices and methods. For example, the paper continued to employ all kinds of individuals who have no connection with journalism or with work; people who stayed on the sidelines but picked up paychecks anyway. This situation is not consistent with professionalism, profitability, efficiency, and so forth.

[Palade] Does the "R" Society help the paper?

[Serbanescu] I would say it is the opposite. For the time being the other businesses cannot help the paper. We were told that there are businesses that are facing longterm struggles, the results of which will only be seen later.

[Palade] It was said at one point that after the election Mr. Iliescu would be handed ROMANIA LIBERA on a platter. Do you think the changes now made by P. M. Bacanu will have this significance?

[Serbanescu] I am not surprised that this promise was made to Mr. Iliescu because ROMANIA LIBERA is the last thing missing from his trophy case and I suppose there are a lot of people willing to offer him this gift. I cannot make a direct link between a promise and fulfillment of it; it is clear that a helping hand was given to him by this change. What is certain is that Mr. Iliescu cannot help but be pleased by what has happened now at ROMANIA LIBERA. A team was destroyed. Unfortunately.

Assistant Chief Editor's Viewpoint

93BA0513D Bucharest "22" in Romanian 14-20 Jan 93 p 5-6

[Interview with Mihai Creanga by Rodica Palade; place and date not given]

[Text] [Palade] What happened at the ROMANIA LIBERA editorial offices on Friday, 8 January?

[Creanga] A day earlier Mr. Bacanu told us that we would have a meeting of the Directorial Committee, telling me that "I am calling it." I don't want to go into details, but the way he said it was an unpleasant shock. He told us that given the serious situation at the paper—the sudden drop in circulation, the fact that we had failed to change the paper's uncompromising tone and also the fact that not much information was appearing in the paper—he was taking over the paper's leadership for a short time of two or three months.

[Palade] This meant dismissal of the editor in chief, who at that particular time was Tia Serbanescu.

[Creanga] Without a doubt. But implicitly it meant a vote of censure against to the entire Directorial Committee, which has been responsible for the continued publication of this newspaper for the past three years, because there were long periods of time when P. M. Bacanu was not present on the editorial staff. I wish to

state that the people on the Directorial Committee—primarily Tia Serbanescu, Florica Ichim and, why shouldn't I say it, I myself—were the ones who made decisions, of which they have no reason to be ashamed even today. Of course, in the life of any big newspaper—and ROMANIA LIBERA is a big paper—exaggerations may occur, even mistakes in judgment, but they are corrected along the way. But I do not think that ROMANIA LIBERA made any fundamental mistakes.

[Palade] What is the situation with the Directorial Committee? Who appoints it?

[Creanga] Things are rather vague at the moment. It is our fault that, because we were concerned with the day-to-day operation of the paper, we did not pay attention to formulating internal regulations and statutes, particularly since the experience was a completely new one. Registration of the "R" Society had top priority. We had to be both managers and journalists. And a paper does not leave you a lot of free time. Returning to the statute, there are a number of relevant factors here: The editor in chief in turn may appoint deputies and heads of sections. The Directorial Committee was elected by a general meeting, so you would think that it would be the general meeting that could fire or appoint another Directorial Committee.

[Palade] What do you think about the new format proposed by P. M. Bacanu?

[Creanga] As I have already told him, the format is a kind of mix between EVENIMENTUL ZILEI and CURIERUL NATIONAL.

[Palade] With whom did P. M. Bacanu discuss this format for the paper?

[Creanga] In any case it was not with us, his colleagues. I repeat, Friday afternoon we were faced with a fait accompli. His accusation about the drop in circulation was not justified. Normally a drop in circulation exists when there has been a sudden, very large price increase, which P. M. Bacanu imposed all by himself. Subscriptions to ROMANIA LIBERA dropped by nearly onethird because it is the most expensive newspaper subscription in the country: 750 lei per month plus 50 lei in postal taxes, compared with ADEVARUL and TINERETUL LIBER, which are somewhere around 550 lei. I said that if we do put out a very good paper, in the end even this price would be accepted. Objectively the paper was better (and I am the one most entitled to say so) since Tia Serbanescu came. Certain ideas that had been advanced were taken over but it is difficult to change your style of writing so that you paginate the paper differently. Well, this cannot be done overnight. Nor were there reasons for radical change.

I repeat, the paper was much better, much more dynamic. It had very objective reporting; it was absolutely open to any ideas coming from political parties. We were able to make certain changes, when necessary, in the Democratic Convention or the Civic Alliance.

[Palade] Then what brought on Bacanu's decision to change the leadership and the format of the paper?

[Creanga] As in any large group, people differ regarding the work habits and the concerns that they have. On one hand, there was the "old guard," the old editorial staff, from which only the people who clearly had nothing in common with what the paper represented left. But a portion of the old guard simply could not adapt to the paper's modernization. And because they imagined that the years of journalism they had behind them would necessarily entitle them to special treatment compared to the rest of the editorial staff, many of these old ROMANIA LIBERA editors moved to a kind of strike, that is, they were allowed not to write anything for months and still get their paychecks, even refusing expressly to do some jobs. There were not many of them, but if they came to the editorial offices and did not do anything, then they had time to criticize and were always dissatisfied. And clearly there was enough to be dissatisfied about because we at ROMANIA LIBERA lived a very long time with very low pay and with relatively small agreements compared with other papers. On the other hand, there was the "new guard," let us say, people who became journalists two or three years ago, who imagined they represented something more than they really were. And some of this new guard went on an (undeclared) strike since nobody was listening to them, since I was allowing them to do these things and I was basing myself merely on several people who were staying there from morning until night. Tia Serbanescu did the right thing by applying several, well-deserved, penalties.

[Palade] During the past three years didn't anybody step in and take at least minimal measures to correct these operational defects?

[Creanga] No. From my viewpoint I have to recognize that I placed too much confidence in the idea that personal example and appeal to good sense would win. Now I regret that I let things get this far. This does not mean that we do not focus on these problems in general editorial staff meetings. But I did not go beyond that.

[Palade] Where did P. M. Bacanu fit into this division in the editorial staff between people who were working and people who were not?

[Creanga] He didn't spend that much time with the editors. He had a lot of things to do as president of the "R" Society; then there were the responsibilities he had assumed in other areas—AZR [Romanian Association of Journalists], the Civic Alliance and so forth. So when he did come and, of course, he realized that things were not going the way they should, those same people who had time to waste also had time to tell him from their viewpoint what was happening in the editorial staff; so that, in time, I think he got the wrong idea and that his own naivete undoubtedly contributed to this misperception.

Because there were people who did not accept the fact that a newspaper means iron discipline, the simplistic conclusion was drawn that this paper was being headed by a matriarchate to which I must subject myself blindly. Undoubtedly this is crazy. I don't recall P. M. Bacanu ever blaming me for anything directly; except, I repeat, for things that, I am well aware of, result from my personality. Starting in December 1989 I told him from the beginning that I did not want to be chief and that I would not be good at it. Chief means someone who has to impose discipline and represent authority. I was naive to believe that I was projecting authority through the way in which I was putting out the paper and the way I was writing and that this was enough. Unfortunately, this was not enough.

[Palade] To what extent does the "R" Society back the paper?

[Creanga] The "R" Society at this time is truly powerful. It is something that, like the paper, can only be destroyed from within. Over time, relations between the Directorial Committee and the society's Administrative Council no longer developed as it had been hoped they would. That is, for a long time the society's expenses were paid from the profits made by this paper. In the meantime all kinds of investments were made, among which the main one is construction, installation, and assembly of the printing plant. But besides this, all kinds of things happened: The "R" Society extended itself. There was a time when large liquid assets existed from the paper's profits. If these assets had been invested in activities with a fast turnover, they would have multiplied. Instead, they went with an investment policy—a mistaken one in my opinion-which perhaps would yield long-term results in some cases. However, at present, the "R" Society could not financially support the paper. The Society at this moment is not productive; on the contrary, it is still being supported by the paper, a support which it would be unnatural to continue after so much time. I repeat, I do not know of a single short-term investment we have made. It is hard for us to find responsibilities now. What is certain is that P. M. Bacanu looked after the Society together with two vice presidents—Anton Uncu and Stefan Maier.

[Palade] P. M. Bacanu wanted to bring Sorin Rosca-Stanescu in as deputy editor in chief and Florin-Gabriel Marculescu as head of the political section. What do you think about bringing these people back into leadership functions?

[Creanga] It is rather complicated. First, I understood that this option failed for various reasons. Florin-Gabriel Marculescu had the decency to refuse, that is, he did not consider it proper to come in just as Tia Serbanescu and I were leaving, while Sorin Rosca-Stanescu, given his personal style, tried to turn this into a press affair too. I was told that he was already circulating a fax through the editorial staff office in which he discussed I do not know what. In any case, a while back when they were made to leave the paper, it was very difficult to let them go and my heart ached for both of them; later they went in different directions. Florin-Gabriel Marculescu behaved

very differently. Even during those very difficult and painful moments—which were hard on each of us and not only on them—he had the strength to say that the interest of the paper really took precedence over any of our personal interests. And that is how he continued to behave. But Sorin Rosca-Stanescu behaved completely differently. Bacanu himself can give you very clear examples. I was there when they said one thing on the phone and Sorin Rosca-Stanescu did another. But it is Bacanu's business if he doesn't learn anything along the way.

Several days before these editorial staff problems came up, I told even Tia Serbanescu—there were many of us there—that we should still think about bringing in Marculescu (in the end, nobody really cleaned house), especially because his behavior after he left the paper was exemplary, which would justify his return to the editorial staff. Tia agreed with some reservations but, clearly, this was a matter you could not decide from one day to the next. The only one really against it was Anton Uncu.

[Palade] After the elections Mr. Iliescu was promised that in three months he would have ROMANIA LIBERA "on a platter."

[Creanga] Even if the paper were to be handed to him "on a platter," he would be fooled. Because it would not be ROMANIA LIBERA anymore, but something else.

Alleged Government 'Blackmailing' by 'Grain Mafia'

93P20097A Bucharest ADEVARUL in Romanian 8 Feb 93 pp 1-2

[Article by Ion Marin: "Wheat for Alms"]

[Text] Wheat, like sugar, is the source of an imminent scandal that directly affects the government and can undermine it, resulting in its collapse. We have written that, in regard to the country's wheat, the government itself is preparing its bankruptcy, leaving itself in the hands of abusive wholesale dealers. A large number of counties do not have wheat from one day to another. They are waiting for ships that come slowly by sea. This time, strings are being pulled and deals worth millions of dollars are being concluded because of the urgent food situation in the country. The embassy of a European country sent us a memorandum stating that Romania delayed signing a contract for 100,000 metric tons of wheat in order to sign another contract with another country, which would be more disadvantageous by \$13 a ton. The problem is not a political one but exclusively a wholesaler-businessman's problem, since the contract that was chosen so promptly was disadvantageous for the country but very advantageous for the pockets of those who concluded it. This is part of the same corrupt network that we have been exposing on a regular basis in our newspaper. The present government, although it has promised many times that it would not tolerate such a thing, continues to be under the control of "mystery" grain dealers operating outside the borders of the

country and outside the interests and decisions of the government. Why haven't letters of credit for imports advantageous to Romania been initiated with neighboring countries, such as Bulgaria? The persons who sign these letters of credit, which are in total contradiction with what is being decided in Victory Palace [Prime Minister's office], are in open defiance of the government.

The government's promises that 500,000 tons of wheat will be arriving, even if they are kept, do not mean very much in relation to the basic needs of the country. In an open letter, addressed to Parliament, trade unions of the milling and breadmaking industry state that most of the trade units in this sector are on the verge of bankruptcy. There is practically no bread to be found in many localities because of veritable networks of speculators transporting the bread in favored cities.

The apathy on the part of the government and the calming statements it has made on the subject are completely unexplainable; so is the lack of reaction to warning signals from the most authoritative sources. After the Academy of Agricultural Sciences asked for the establishment of a crisis program, attention was drawn in the Senate to the fact that the possibility of purchasing large quantities of wheat from peasants was being ignored. Even now, at the twelfth hour, the Vacaroiu government still does not want to abandon the decisions and orders of its predecessorsas a result of which boycott

prices were set. The same policy of exclusive orientation toward imports is being continued, instead of providing incentives, in some way, for purchases from domestic producers by freeing prices at the peasant market level. This situation exists not only for wheat but also for corn and other agricultural food products. If in a county like Satu Mare 20 tons of wheat can be bought now, in the middle of winter—as it was stated in Parliament—one could suppose that much more could be bought in the big wheat-producing counties. The completely irrational calculation that, converted into lei, the cost of a ton of wheat imported for hard currency would be less than the cost of domestic wheat is still being cited!

The fact of the matter is that we are seeing here pressure by the same grain mafia that is blackmailing the government and is blocking government decisions to satisfy its own interests. But the interests that are affected—the daily bread of the people of our country—are too important for such a situation to be tolerated any longer, a situation that is the result of nothing more than general corruption.

Since the country has wheat only for a few days, a frost, a snowstorm, a worsening of the weather—which could happen at any time—would put the government in a situation without any way out. More precisely, it is the country that will be put in this position, since the government will still have, if need be, the back door.

* Michal Kovac on Policies To Promote Prosperity 93CH0334A Bratislava NARODNA OBRODA in Slovak 14 Jan 93 p 3

[Article by Michal Kovac, vice chairman of Movement for a Democratic Slovakia: "A New Age for Slovakia"]

[Text] At the beginning of January 1993, we joined the society of free democratic countries. Slovakia's name has it own special place on the map of the world. We have our own political address. We have our own parliament, government, army, and diplomatic representation. This is the culmination of our state political process, whereby we have become an international entity in the eyes of the world and of history. There are the forms and the agencies by which we make the world aware of our political identity.

Immediately we are urgently faced with the question of how we want to and will conduct ourselves as a state, where we are headed, and what we will do. While it was a serious problem to gain our Slovak state through struggle in a legal manner, it will be even more difficult to build it up and maintain it. And especially to find our way to a democratic, as well as a spiritual and economic, flourishing of the country. We have the prerequisites for this. It depends on us whether we achieve this through our joint efforts.

We must realize deep within us that the Slovak Republic is our first democratic state which we have achieved through our own decision, without a foreign power, and in a peaceful and democratic legal manner. This is indeed a political miracle in our time, filled as it is with the various resentments and burdened by the various emotional manifestations. It is a good basis also for our future relations between states.

We raised the question of how we want to conduct ourselves as a state and where we are headed. Our republic must be based on the democratic system and must be a law-abiding state in which all international principles and treaties will be respected, especially those dealing with human and civil rights. After all, that stems in the final analysis from the philosophy of our history as well

The multicultural nature of our continent and the variety of its peoples and their languages is also our Central European heritage. Slovakia wants to build bridges of understanding, recognition, and rapprochement on it. I have always believed and still believe today that culture has its own special mission in the mosaic of peoples and nationalities in Central Europe. We must expand and intensify it since by doing so we will enrich this entire area and strengthen the necessary solidarity between us.

In the past we were flooded with Marxist ideology, the methods of political totalitarianism, and a false proletarian internationalism. Our community rejected all this, but today it would not be wise if we uncritically accepted everything that comes from the West. The philosophy of the consumer society with its culture of discos, crude crime movies, and exaggerated sexuality can make those businessmen who do not care rich, but it destroys the spirit and morality of man and brings European culture down to one level. We are for freedom of the arts and its expression, but at the same time we emphasize the quality of the arts. The arts cannot be an expression which reduces the level of human dignity and contradicts the morality of society.

We have some things to make up for in quality and responsibility, in our thinking and initiative. For long decades these valuable attributes did not have any fertile soil and withered or were suppressed since the party "thought" and acted for us all. It would be good if now there was an emphasis here on a healthy thinking individualism as a counterbalance to the past, so that serious people would have the opportunity to undertake and create a healthy competition, especially on a private basis, while practicing appropriate responsibility toward the customer. We greatly need to build up a network of private services; it is a great need, but it will develop only very slowly. Entrepreneurship must have its own culture and cannot be just a thoughtless pursuit of profits.

Central Europe is burdened with the problem of minorities. This should not be the cause of conflicts. On the contrary, we should build bridges of getting to know each other and bringing peoples and cultures closer together. Nationalist conflicts do not lead to a common European prosperity. We should get to know the nationalities with whom we live together and they should feel that the Slovak Republic is also their homeland which provides them the opportunity for development in every direction and the opportunity for happiness. Mistrust and rancor must in the future be replaced by a sense of common belonging and concord. The mentality of the Slovak peoples and our cultural traditions give us all the prerequisites for us to create a free democratic society of true Europeans in Slovakia. We have never, after all, reached out for foreign lands, but have only defended our own land and our own lives. The world should also recognize us for that.

For centuries we here beneath the Tatra Mountains and above the Danube River have culturally grown up on Western philosophy. It was not just the Latin culture, but also the Renaissance and humanism, the Reformation and Enlightenment, rationalism and empiricism. I believe that we are renewing and again building new and good relations with Europe, and particularly with our neighbors. The Hungarians are our allies as determined by our geopolitical fate. Very promising outlines of future cooperation are taking shape with Austria. We have always had the very best wishes for the Poles and Ukrainians to the north, and this is still true today. Our Czech neighbors are so bound to us by our many interests and sympathies that true friendship will develop here whenever the political disputes over jurisdiction and national and state identity cease. Our mutual relationships will then, I believe, mostly get stronger on the principle of equality with each other, as is appropriate for good brothers when they divide up a house and each set up housekeeping in their own homes. There is no reason for nostalgic lamenting or for euphoria, either. It is necessary to pay homage to political understanding.

Our histories also have different forms, like the histories of all nations. Unfortunately, the world knows little, almost nothing, about us. In our new situation we must first of all find a way to each other, to concord, to a common creative and innovative work on common matters. That is the best prerequisite for the resolution of our current complicated problems and for the successful shaping of our future. It is also the best method by which we can present ourselves to the world.

* Identification of SR With Tiso's State Rejected 93CH0334B Bratislava NARODNA OBRODA in Slovak 15 Jan 93 p 3

[Commentary by Milan Knazko, Slovak foreign minister: "The Future Is a Goal and the Past Only a Lesson Learned"]

[Text] One could say, with a little poetic license, that the memory of a nation is like a river which carries all its experiences with it and has its twists and undercurrents. This imaginary river of our historical experience is present at every historical event of which we are the creators. Each of us tries to connect the watershed moments in the life of a nation with the moments which are closest to him and thus forms an idea of our history for himself. It happens sometimes that the undercurrents come to the surface, even though we thought that they were only sediments borne along which would stay far away from us.

So right in the first hours of the existence of the newly formed Slovak Republic [SR] some individuals or political groups started to connect it with the Slovak state from the time of World War II, indeed even calling it the legal heir of that state. Even though there can be many interpretations of national history, none of them can avoid the historical facts if they want to be specific.

The current Slovak Republic has come into being, through succession with the division, as one of the two successor states of the CSFR. From the legal standpoint it is thus the heir of the CSFR and its legal obligations, international treaties, etc., pass to Slovakia. If, for example, we were not the successors of Czecho-Slovakia, which in 1975 signed the Helsinki concluding action, our state borders would today not be guaranteed with such certainty. And one could cite a number of similar examples.

Since we are thus not the legal continuation of the Slovak state from the time of World War II, I believe that for us neither the spiritual climate nor the character of that state will be an inspiration for us. In distinction from the Slovak state of 1939 to 1945, which was a totalitarian regime and discriminated against part of its citizens, the

current Slovak Republic is being established as a democratic and law-abiding state.

One should add that today's sovereign Slovakia did not have its origin as a consequence of the actions of those political forces which wanted to restore it in the spirit of Slovakia from the years 1939-45 or in sympathy with it. Their activities on the contrary discredited the Slovak emancipation movement. It came to crises and tragedies in Tiso's Slovak state also because they did not know how to formulate and defend an idea of the state which corresponded to the entire spectrum of its inhabitants. Everyone who did not come under the narrow wing of the state ideology was, naturally, transformed into an "internal enemy." The defensive and negative national ideology did not suffice as a program for a state of various nationalities. It is primarily in this sense that the Slovak Republic should not become a successor to that Slovak state.

The Slovak state deliberately shut itself off from the many cultural movements of its time. We must, on the contrary, be receptive and open to the world and indeed after the last 40 years we have a lot to learn and to catch up on. This is especially true in the West, which for all that time preserved and perfected the democratic institutions and by its economic development demonstrated its ability to provide a high standard of living for its inhabitants. Finally, this interest of ours is expressed in efforts to become a full-fledged member of the European Community in the future.

As the minister of foreign affairs of the Slovak Republic, I can responsibly declare that connecting the new Slovak Republic with the Slovak state of 1939-45 blackens our reputation on the international scene and harms us overall. All individuals and political groups who would like to create a positive image of Slovakia abroad and currently are inclined to make this "short circuit" should be aware of this.

* Czechs Accused in Paris Embassy Deal

93CH0332B Bratislava KORIDOR in Slovak 16 Jan 93 p 1

[Commentary by Viera Urbanova: "Haggling Under the Eiffel Tower"]

[Text] The first tug-of-war over the optimum formula for dividing up the federal property and the "flash" with which the Czech right wing accelerated the breakup of the CSFR indicates a lot. It indicates that, even if they have sliced up Slovakia, they will still properly pluck it. The latest developments have confirmed those fatal predictions. An outstanding demonstration of the entire scenario of this play about the federal property is the case of the foreign embassies because perhaps not even in Equatorial Africa did the Slovaks get a better bungalow than our Czech brothers did. This could be expected from the distribution of forces: in the diplomatic services, at the embassies, consulates, and the federal ministry of foreign affairs, the most important

and best informed posts were occupied by Czechs. It is no wonder that they had the situation "outside" perfectly mapped out, and the Slovak commission remained outside the play. In many cases, however, the Slovaks themselves were responsible for a show of dividing things up. Because of their lack of information and their trustfulness, they got stuck on the flypaper of the honeved speech of the Czechs. One could also qualify the division of the property in Paris, for example, in the same way. The former Czecho-Slovak Embassy fell into the lap of the Czech Republic. This splendid palace, a stone's throw from the Eiffel Tower, was systematically expanded from the common purse since 1023, when the Czechoslovak representation took ownership of it. The Slovaks were graciously given the former trade representative offices, which, among other things, is not in the diplomatic quarter of the city and far from equals the representative, majestic Czech Embassy, of which they can already boast today. The Czech "combat experience" in Paris was also reflected in the negotiations around the former Czecho-Slovak Consulate. This building, in desolate condition, was generously taken on by the Czech partners as a millstone around their necks. This "generosity" will bring approximately 250 million francs into the Czech coffers, when the building, which is of great historical value, is sold. Facilities that are falling apart, destroyed installations, abandoned wrecks...that is the "just" principle of division that the Czechs passed on to the Slovaks in this case as well.

Once you are freed, habit fits like an iron shirt.

* Rise in Criminality in Country Explained 93CH0332A Bratislava KORIDOR in Slovak 19 Jan 93 p 5

[Article by Viera Urbanova: "Money From Drugs or the Road to Hell"]

[Text] Fertile soil for organized crime, in which large amounts of money circulate, has been created primarily by the changes in the economic sphere, our imperfect legislature playing at deception, and, in no small measure, the generous policies of the first post-November governing clique.

The "easy-going" theory that "the main thing is that the money comes in and it is not important from where" made it possible to legitimize dirty money acquired under the past regime in an unclean manner. Privatization and a hollow legislature immediately offered a fantastic opportunity. For anyone who had a suitcase full of money, it was no problem to get good information right from the appropriate ministry or to set things up so that, for example, a restaurant would, under some pretence, not be put up for auction but sold directly beforehand to some designated person who had an interest in it—at far below its value.

Big sums of money, big obligations, mutual connections, obligations, the shackles of the strongest "capital" with

which one can even cause social and political things to be done. In the interests of a certain group.

Trade in strategic raw materials is also a new form of crime: red mercury, plutonium, uranium, "cinium." These are some of the profitable items because it is possible to make thousands of dollars from a single kilogram of these materials. It is primarily the Russians who are dealing the most in this field. For now, Slovakia is serving as a pipeline. From here the shipments are moved to Hungary and then on in the direction of the Arab countries.

Because of our advantageous location, we have also become a transit point for another million-dollar trade, that of drugs. It has been determined that one of the branches of the Balkan route runs through just these states of the former CSFR. The drugs do not stay on our territory because this is an expensive form of pleasure, and, for now, we do not have a solvent network of customers. But it is clearer than day that, before long, such a network will be created and will report in, and the drug trade will begin on our domestic market.

When we realize that our Criminal Code is one of the most benevolent in the world, that even today it does not properly define the concept of drugs and trade in them, and that the sentences for dealing in narcotic substances are minimal (five years at most), we cannot be surprised at this. In contrast to the Orient, where possession of a single gram of any kind of drug carries the punishment of death, our country will be a real paradise on earth for the drug dealers (if we do not come to our senses in time). If our customs officers will have to work with such poor equipment as they have until now, it is really just a question of time as to when the drug mafia takes up permanent residence here.

When Paragraph 203 of the Penal Code on parasitism was repealed, there immediately was a dilemma as to whether to legalize the oldest trade in the world. Tax it just like any other, or not? It is questionable what is more beneficial for society from the moral, health, and security standpoints. Under the new conditions, prostitution has spread in the greatest variety of forms. Our girls have become a good export item, and there is interest in them especially in Greece, Germany, and Yugoslavia. Some know what they are getting into and go voluntarily into prostitution, while others can be caught by fine promises. The mirage of being a bartender, waitress, or dancer and earning good pay in hard currency makes the girls into willing tools in the hands of various deceptive agencies that have connection abroad. Their victims either disappear without a trace or return after a terrible trip, mentally marked for their entire lives.

The police are worried about the so-called truck prostitution. On the well-known TIR [Transport International Routier (International Transport of Goods by Road)] route from Medvedov, there are several main stations, where prostitutes offer their bodies for 50 marks under the watchful eyes of their friendly pimps, mainly to

Turks and Greeks. More than once they also skillfully stole the "treads" off the sexually transported drivers while they were taking their pleasures. If the driver customers pay the "lady," they will ride in the truck with them and be available on call. It is true that there is also prostitution at a more luxurious level, in expensive hotels and especially in spa towns. And the law? In this case, we do not know if there even is one. The applicable paragraph under which prostitution should be prosecuted does not exist. There is Paragraph 204 on pandering, but that is not worth talking about.

The varied post-November crime scene does not lack for a mafia stealing cars, which specializes in selected makes of foreign cars, but also steals Favorits. These are moved particularly to Poland and Bulgaria. There has also been evidence discovered leading to a mafia dealing in arms. The largest customer is Yugoslavia.

And it is Yugoslavia that, until recently, has been the main perpetrator of crude criminal actions here. Only after the breakup of the USSR, where organized crime began to operate in the 1980's, and after the borders were opened did the tough Russian mafia come here, and it is

slowly forcing out the more moderate Yugoslavs from the profitable areas. These are mainly Chechens and Russians who, because many of them received special training for the war in Afghanistan, are dangerous and capable of anything. Recently, in Kosice, for example, a fierce battle took place between the Yugoslav and the Ukrainian mafias over their territory of operations. The contest ended 3 to 1 (in the ratio of those killed) in favor of the Ukrainians. The Chechens have their Eldorado particularly in Prague, and the first swallows have already shown up there—murders on demand.

The danger our society is facing is a real one. Mafias of all kinds are growing from day to day because they have excellent conditions for it here. It is therefore important that we prove ourselves capable of eliminating them in time, and right at the start. But, if we continue to fight against them as we have so far, with a weak criminal law and technically and physically imperfectly equipped police and other security elements, before long our country will inevitably become one in which, without exaggeration, force and lawlessness will triumph. And the cutthroats will decide for us about life and death, on the chosen and the cursed.

Macedonia

* Constitutional Court, Freedom of Speech Viewed 93BA0554A Skopje NOVA MAKEDONIJA in Macedonian 9 Jan 93 p 17

[Article by Dr. Zvonimir Jankuloski: "Human Rights in Macedonia's Constitutional Court: Restrictions on Freedom of Thought?"]

[Text] Freedom of expression is a specific right, the exercise of which entails special duties and responsibilities. The Macedonian Constitution restricts freedom of thought and expression, possibly out of fear that uniformity of thought might be repeated.

A common characteristic of all modern countries is that their constitutions or statutory documents having the force of constitutional law proclaim and guarantee numerous human and civic freedoms and rights and continuously introduce new ones and expand them. It is, however, a well-known fact that human and civic rights represent the sphere in which the greatest discrepancy between the constitutionally proclaimed and the real occurs. Hence, in all countries that really support the idea of a state based on the rule of law there is a constant tendency for guaranteed rights and freedoms to acquire real rather than merely declarative value, that is, for a legal system of guaranteed rights to be installed that allows prompt and effective protection of all rights and freedoms from any damages or threats.

In addition to the numerous legal and extralegal mechanisms that should guarantee constitutionality and legality in the country, the legal security of citizens, and blanket protection of constitutionally proclaimed rights and freedoms, of special importance from the viewpoint of protection of rights and freedoms is the right of every individual to seek protection of these rights in courts whenever his rights and freedoms are threatened and restricted by some other individual, organization, or government agency.

In this context, in accordance with the provisions of the Macedonian Constitution, Article 50, two individuals instituted an action for protection of the freedom of thought and the freedom of public expression of thought guaranteed by Article 16 of this Constitution in the Constitutional Court of the Republic of Macedonia. Without going into the actual circumstances of the particular case (because such is not the purpose of this article) and without trying to prejudge the decision of the Constitutional Court, I will simply note that these two citizens have complained that as a result of freely and publicly expressed thought they have suffered harm in the form of loss of their jobs.

A Barrier to Denial

Freedom of thought is one of the fundamental freedoms of man. If we trace the postulates of natural law, we find that this freedom derives from the human personality and is inseparable from his human dignity. It expresses man's struggle to free himself from imposed and allegedly eternal truths, dogmas, indoctrinations, and mystifications from a position of strength, and from a government that tries to determine the way he thinks and the way he behaves in society. It is at the same time a barrier to denial of his individuality and his human dignity. Any restriction of such freedom and fear of possible punishment lead to totalitarianism and creation of a society of uniform and faceless individuals. Hence the struggle for free thought and its free expression is inextricably linked to the struggle for democracy and a free society. It is the foundation of stability of the community under conditions of social, economic, political, and social changes and of a balance between healthy difference of opinion and necessary reconciliation of differences.

If we follow the thinking of U.S. professor Zecharian Chafee, we arrive at resolution of the dilemma of the Constitutional Court as to whether we will restrict this right exclusively to expression of political, religious, or intellectual conscience. According to Professor Chafee, freedom of thought and expression as two interrelated freedoms express two interests. The first, individual, interest is the need of man to think about everything that affects him and is of vital importance to him and his need to express his thoughts suitably (this meaning that no restriction exists on the content of thought). The second interest, a social one, is arriving at the requisite truth through freely expressed thought.

Harmful Consequences

What was until recently unthinkable, that an individual should seek protection of his rights before court authorities, has for many years been functioning in the context of the international system for protection of rights. Especially efficient are the procedures for protection of rights before the European Human Rights Commission, the European Court for Human Rights, and the Human Rights Committee in operation within the United Nations Organization. Within this system of rights protection, rules of procedure have been elaborated for acceptance and processing of petitions, communications, and requests by individuals who complain that they are the victims of rights violation under international conventions on rights.

All procedures for protection of the rights of individuals before international agencies or a court restrict the individual in the sense that he must be a victim of violation of rights. This means that it is not a question of restricting this right but of occurrence of consequences as a result of a rights violation. The position of the human rights committee, whose authority is determined in accordance with the Optional Protocol to the Civil and Political Rights Pact, on the definition of the term "victim" is clear. It is not enough simply to claim failure to respect rights; evidence must also be produced showing that harmful consequences have resulted from violation of rights. This concept is similarly defined by

the European Convention on the Rights of Man. A victim is a person directly affected by enforcement of a law.

However, another question arises in connection with the problem of the victim of rights violation, a problem that I believe will also have to be resolved by the Constitutional Court. This is the question of whether this court can proceed in cases involving hypothetical victims of rights violations. In any event, the answer should be no, because no one can by means of a civil suit abstractly challenge a law or practice that has not yet been enforced to the detriment of the individual. But how is one to proceed if the Constitutional Court finds that a law or practice is enforced in such a way that the risk of causing harmful consequences to a potential victim by the law or practice is more than a theoretical possibility? Whether even in this instance the Constitutional Court will refuse to acknowledge a potential victim as a party in a suit before the court remains an unanswered question.

Possible Restrictions

Beyond this question there is at any rate in the discussion before the Constitutional Court another highly important question, that of the restriction or nonrestriction of the freedom of thought and the freedom of expression of thought. If we follow the provisions of the Constitution of the Republic of Macedonia, in the fourth paragraph of Article 54, we see no dilemmas. This paragraph states that "restriction of freedoms and rights may not also be imposed on freedom of belief, conscience, thought, or public expression of thought and religious conviction."

However, if we examine the decisions given in international rights documents and the practice of some legal systems, we find that restrictions on these rights are possible. Thus, Article 19 of the Universal Declaration of the Rights of Man guaranteeing these freedoms, although it does not provide specific restrictions on the freedoms, cannot be considered and interpreted separately from Article 29 of this declaration, which provides for general restrictions on all the rights incorporated in it, these restrictions being a function of reconciliation of the rights of the individual with the individual's obligations to society. These restrictions must be determined by law, and their purpose can be only that of (a) meeting the need for recognition and respect for the rights and freedoms of others and (b) respect for the justifiable requirements of morality, public order, and the general welfare in a democratic society. Aside from these legal restrictions, freedom of thought and expression may not be exercised in conflict with the aims and principles of the United Nations.

The Civil and Political Rights Pact imposes no restrictions on the freedom of thought. However, the authors of this pact found it necessary to point out that the freedom of expression is a specific right exercise of which entails special duties and responsibilities. It appears that restriction of this right is much easier than of the others, but

only under the following conditions. The restriction must be provided by law, its aim must be to protect the rights and reputation of other persons or respect for the interests of the community as a whole, such as national security, public order, public health and morality, or respect for secular interests. In keeping with these restrictions are the obligations which this document provides, that countries may prohibit the members of their societies from engaging in war propaganda and any conspiracy to promote ethnic, racial, or religious hatred causing discrimination, hostility, and violence. Similar solutions to this effect are also offered by regional documents on the rights of man, such as the U.S. and the European conventions on human rights.

Although the Macedonian Constitution does not restrict the freedom of thought and expression (possibly out of fear that enforced uniformity of thought might recur), I nevertheless feel compelled to point out the solutions offered by the international standards, above all because of the dilemma that this question creates for the Constitutional Court.

It is becoming more and more obvious that citizens are becoming more and more sensitive to their rights and freedoms. Someone may note and comment that this sensitivity is exaggerated in relation to the preceding period. The opposite is true. It is simply an expression of the new relationships being built in our society, in which freedoms and rights are emphasized as basic values of our constitutional order.

* Head of Electrical Power System Interviewed

93BA0553A Skopje NOVA MAKEDONIJA in Macedonian 16 Jan 93 p 13

[Interview with Mito Markovski, general director of the Macedonian Electrical Power System, by Saso Novevski; place and date not given: "The Cost of Electric Power"]

[Text] The Macedonian Electrical Power System works under specific conditions and fluctuates between 12.5 and 23 million kWh of generated and delivered electrical power. We shall feel the scarcity of power until the weather changes and hydrological conditions are improved. The power we are using will have to be paid for at three cents per kWh, Markovski says.

All the indications are that the first 10 days of the past month will be remembered mainly by the increased consumption of electric power. This caused a shortage and, therefore, a reduction in the amount of available power and a number of breakdowns in the power grid. We asked Mito Markovski, general director of the Macedonian Electrical Power System, the reason for this, the condition of the electric power system today, and what could the citizens, as consumers, expect in terms of future availability of electric power.

[Novevski] In assessing the overall situation of the economy, recently the Chamber noted that the Macedonian Electrical Power System is in very poor condition. Why is this?

[Markovski] It is true that the assessments and views that were expressed, including by people who are not expert in that area, were not exaggerated in the least. I would even say that after the proclamation of independence and, particularly, the actual break-up of ties with the former Yugoslav republic power facilities, the situation in our country may be considered critical. The main reason is the specific nature of the Macedonian Electrical Power System, which is complex and extremely rigid. with an inadequate production and consumption structure. In specific terms, it is such that 90 percent of the electrical power is generated by thermoelectric facilities, and during some periods metallurgy accounts for about 40 percent of the entire power consumption. Furthermore, there is high consumption fluctuation between the summer and winter seasons, which ranges from 12.5 million kWh in summer to as much as 23 million kWh daily during the winter months. On the other hand, the system does not have any reserves for periods when consumption is at its peak. With such anomalies and the shortage of electric power generated by hydraulic power plants, it is clear why during some months the electrical power system is inadequate and causes a great deal of management difficulties and problems.

Naturally, in will take a long time before our system could be free to work independently of the others. In my view, the most important factor would be restructuring the production of electric power by building hydraulic power plants, and increasing the economic activeness of the state, which also means the use of industrial capacities on a multiple-shift basis. All of this must be resolved on a long-term basis and will depend on a number of factors, the most important of which is money.

Scarcity Will Continue

[Novevski] With increased power consumption in excess of 18 million kWh daily, Macedonia is facing a shortage of electric power. Would it have been possible to avoid this shortage somehow and thus to avoid all subsequent problems?

[Markovski] Absolutely not, for the continuation of this type of weather, with below-zero temperatures, leads to the increased use of electric power until the weather warms up and the poor hydrological conditions improve. The scarcity of electric power generated domestically has been pointed out by us for quite some time, but nothing was done about it. Incidentally, we clearly said that our generating capacities will not augment, whereas consumption could reach as high as 22 million kWh, an increase that cannot be fully satisfied. We have also pointed out that, at all costs, the Negotino TEC [Thermoelectric Power Plant] requires no less than 50,000 metric tons of fuel oil to have some kind of production reserve. We also have said that the conditions of our

neighbors' power systems are poor, that the existing petroleum crisis will force many households to switch to electric heating, and that it would be difficult to meet evenly the needs of all consumers. However, it has been said that the assessments of our power system personnel were exaggerated. Several months ago, the public reacted to such statements by expressing the belief that the electrical power system is once again using threats and applying pressure for the sake of implementing some of its objectives and, perhaps, to justify an increase in electrical power rates. Actually, the reason for our concern was entirely different.

What happened then was something that was bound to happen. After the temperature dropped to five degrees below zero, no one could say that we were not working to prevent shortages. Already then we were borrowing power from foreign power systems, as much as 150 megawatt-hours. However, we could not borrow electrical power on an emergency basis while consumption remained under 20 million kWh. Later we asked the major consumers to reduce their use of electric power by 50 percent of their daily requirements. However, the government's commission was able to help us improve the situation.

[Novevski] Therefore, you were not to be blamed at all for the development of such a situation. Why then have the power workers voiced serious criticism to the effect that during last year, and especially in the second half of the year, the electrical power system was using reserves on a totally unregulated basis, for which reason currently the hydraulic power plants are virtually inoperative?

[Markovski] We have always made efforts to save our reserves. You should not think that there was irresponsibility and that we were unaware of the importance of the water accumulated in the hydraulic power plants, which was to be our strategic reserve. But what could we do when last year as well the hydrological situation was poor? Let me illustrate this: According to the plan, last year the HEC [Hydroelectric Power Plants] were to generate 1.06 billion kWh, yet they were able to produce no more than 760,000 kW strictly for lack of sufficient water. On top of that, last year, in December and even earlier than that, some thermoelectric couples broke down. It is a known fact that even if a single thermoelectric couple breaks down this automatically means five million kWh less energy in the hydraulic power plants for 24 hours; such "drop outs" were several. Furthermore, even as late as 20 days ago, we kept trying to find a way to use the hydraulic power plants less (they currently have enough water to generate about 50 million kWh). However, we were forced to use them because the neighboring electric power systems had a breakdown in two turbines generating 600 million kWh.

New Rate Increase?!

[Novevski] Recently, accompanied by a representative of the government, you toured foreign electric power systems and agreed to take fewer quantities of electric power compared to what we need. Could you tell the public something more about this arrangement?

[Markovski] It is a known fact that currently in the Balkans any single electrical power system could experience a shortage during the winter period and borrow from the other systems. Last year we borrowed as much as 160 million kWh, which were paid for with other goods. Until the new year a certain amount was compensated for, and we remained owing about 100 million kilowatts. Now, as of the beginning of January, suppliers of electric power to Macedonia set certain conditions, saying that the power which we take will have to be paid for in cash. We have already been informed that the price will be three cents per kWh, which is still much cheaper even than procuring fuel oil and using it to generate power by the Negotino TEC. However, paying for such electric power would cause a problem, for electric power at home, sold to our consumers, fetches the much lower price of two cents.

[Novevski] Are you now expecting the citizens to pay for the electric power that will be bought from the neighbors at the higher price?

[Markovski] I think that what is necessary is to have a sensible discussion rather than engage in constant provocations. Nonetheless, let me answer you. We have already established who in Macedonia will pay for the price differential, but I think that no final decision has been reached. It is the major consumers, such as metallurgy and industry, that should pay for the borrowed electric power. However, the indications are that the borrowed quantities will have to be paid for by anyone who uses electric power. I personally believe that we must develop some kind of mechanism for procuring the funds for this purpose. However, the electric power system cannot develop such a mechanism because it is not that utility that sets the price of electric power.

[Novevski] Mr. Markovski, do you know that all that the general public knows about you is from your public statements in which you always speak of some disparities and are asking for new prices of electric power?

[Markovski] It is true that I keep talking about the price of electric power, but this is made necessary by the price disparities. I could ask both you and the public if you are aware that, compared to last year's price, which was 6.93 cents per kWh, now the power system has reduced it to no more than 2.4 cents. This is catastrophic, for currently in the Western European countries the cost of electricity is even over 10 cents. Awareness of this makes it clear why, starting with last year and to this day, our enterprise has been brought down to a desperate economic situation, to the point of total collapse, owing the banks and suppliers 25 billion denars and facing daily threats of blockade and liquidation. Why is this? From the very start of last year, the previous government adopted a policy according to which prices became strictly a social function, which was detrimental for us. Subsequently, for a while the disparity was corrected

after several changes were made but, to this day, this has not helped. Let me quote a statistical report. It literally states that in the period from November 1991 to November 1992 the price of electric power rose by 978.3 percent. Meanwhile, the prices of industrial goods (which account for more than 80 percent of the use of electric power) rose by 2,500 percent. That is why it is pointless to ask whether it is necessary or, if at all, that enterprise could even conceive about any type of development. Not to mention the need for equipment and instruments and repairs of the numerous breakdowns which have taken place within the electric power grid because of overloading, especially in the medium-and low-tension grids. For that reason we keep applying to the respective authorities for loans. We are always being told that they have no funds. Yet the normal thing would be, since the state is setting the price of electric power, in its efforts to lower social tensions, also to find proper ways of compensation.

[Novevski] Could you tell us why payments for electric power are computed by the power utility on a double basis: one for the appliances and another for the power that was consumed? How extensive will this practice be?

[Markovski] First, I would like to clarify the question of capacities. A similar system is used in many countries and depends exclusively on the way it affects the supplier. This means that the electric power enterprise must guarantee to every consumer and at all times an uninterrupted supply of electric power. This means that the respective capacities and grids must always be available to meet such requirements. This is the basis. However, the key factor that must be kept in mind is that the power itself has a price. Naturally, we do not even conceive of charging the Western European power rates. However, considering the situation in which we find ourselves, we should be allowed to charge a certain average price of about four cents per kilowatt hour. This would enable us to provide greater stability and reliability of the system and avoid the type of breakdowns which occur at present as a result of increased consumption.

[Novevski] Recently some political parties either publicized or accused you of the fact that even despite the shortages our electric power is being sold to Serbia, Albania, and Bulgaria.

[Markovski] Under circumstances in which the daily consumption exceeds 16 million kWh, the Macedonian Electric Power System has no possibility of selling electric power to anyone. The only accurate point is that during the winter period electric power can be procured only from the outside. I can responsibly tell you something else as well: From October to March of this year, by contract, we have been supplying Bulgaria with 650,000 kWh of electric power daily. In practical terms, Petrich is our consumer. In compensation we are getting in excess of 17,000 meters of ore-mining belts for the Suvodol mine. We needed it, for we have been cut off from

receiving such belts or other types of ore-mining equipment from manufacturers such as Energonivest, Litostroj, Rade Koncar, and others. Nonetheless, considering the shortages, it is difficult currently to provide such electric power. However, this contract, as the people involved know, must be honored by the Republic.

[Novevski] It is being said that the electric power system is being subject to pressure and that some people in the government are tempted to take over your job.

[Markovski] Pressure has been applied on this enterprise, which I have been heading for the past eight years, through a policy of prices and by limiting the individual salaries of the personnel. Personally, I am annoyed by remarks that for 40 years this personnel has lived like gods. Under my tenure this has never been the case. This may have existed in the past. As to personal pressure on

me, such has been applied in the past, as exemplified by the Studencica case where, for no reason whatsoever, it was the power utility and its head director who were blamed. I can tell you that I am grateful for the relations that have been developed within this system, which has done its best to perform its functions all these years in working well and providing electric power to consumers. That is why I think that the most important thing is to continue our present activities. That is that, and as far as your question is concerned, the way you have managed to sneak it among the other questions, there is no reason for me to answer you: The last salary wage earned in the electric power system was in December, averaging 139,628 denars. My net December earning was 313,100 denars. Let your readers rate the size of my salary. All that I can add is that I am aware of the salaries earned by the personnel in many of our corporations.

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